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SUMMARY OF KEY PROVISIONS RELATING TO SENIOR CITIZENS, VETERANS, AND ADULTS WITH SPECIAL NEEDS IN RECENT FEDERAL HEALTH CARE REFORMS

APRIL 13, 2010

On March 23, 2010, H.R. 3590, the Patient Protection and Affordable Care Act, was signed into law, and on March 30, H.R. 4872, the Reconciliation Act of 2010, was signed. Together, these new federal laws make several changes to the health care insurance system in the United States. Many of the major reforms, such as the individual mandate to carry health insurance, potentially relate to nearly everyone in the United States, including senior citizens, veterans, and adults with special needs. This brief summary only highlights a few key provisions that specifically affect these groups in ways that other members of the population may not experience. It is important to note that many details of the reforms have yet to be revealed, because during the implementation phase currently under way through the U.S. Department of Health and Human Services and other agencies, rules will be adopted to further clarify the law. Many of the reforms have implementation dates that are several years away, with full implementation of some provisions not expected until 2020.

- **The Elder Justice Act and the Patient Safety and Abuse Prevention Act:** The main provisions of these two bills were incorporated into the final reform measures and passed into law.
- **Early Retiree Reinsurance:** Beginning in June of 2010, funds will be allocated to help employers continue to pay for health insurance for retirees who are age 55 and older but not eligible to receive Medicare.
- **Medicare Reforms:** In 2010, Medicare prescription beneficiaries who enter the "donut hole" will receive a \$250 rebate. The donut hole will gradually shrink and be closed by 2020. Effective January 1, 2011, co-payments for preventive services will be eliminated, and preventive services will be exempt from deductibles.
- **National, Voluntary Long-Term Care Insurance Program:** Beginning in January 2011, workers may voluntarily participate in the Community Living Assistance Services and Supports program (CLASS), which is a new insurance program for long-term services. It will be financed by voluntary payroll deductions.
- **High Risk Pools:** Effective 90 days after enactment, temporary high risk pools will provide immediate access to insurance for Americans who are uninsured due to a preexisting condition. This program will end when the health insurance exchanges become effective in 2014.
- **Guaranteed Issue:** Although the implementation dates vary, individual and group health plans will be prohibited from placing lifetime limits on the dollar value of coverage; prohibited from rescinding coverage except in cases of fraud; and prohibited from having preexisting condition exclusions (for children six months following enactment, in 2014 for adults).
- **TRICARE:** Beneficiaries will not be impacted by the requirement that people without qualifying coverage will have to pay a financial penalty. There will also not be any changes to TRICARE fees.

The following websites were consulted in the preparation of this summary and may provide additional information: U.S. Department of Health and Human Services (<http://www.healthreform.gov/>); the National Conference of State Legislatures (<http://www.ncsl.org/default.aspx?tabid=17639>); the Kaiser Family Foundation (<http://healthreform.kff.org/>); and TRICARE (http://www.tricare.mil/NHCB_QnA.aspx).

EXHIBIT J

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