



## Why federal healthcare reform is good medicine for Michigan

**1** Health care reform, the Patient Protection and Affordable Care Act, or simply the Affordable Care Act, signed on March 23, 2010, caps a **century of efforts** to make healthcare available to all.

**2** The law requires that all categories of individuals or families eligible for Medicaid or MICHild as of March 23, 2010 remain eligible. They **cannot be cut** because of tight budgets. In 2014, **Medicaid will be expanded** to anyone with income under 133 percent of the federal poverty level.

**3** It **eliminates out-of-pocket costs** for proven preventive services: 1.1 million Medicare recipients and 1.8 million Michigianians have received preventive services with no cost-sharing.

**4** Since Sept. 23, 2010, **young adults** can stay on or re-enroll in their parents' plans until age 26, even if they are not college students, or IRS-defined dependents. More than **57,500** young adults have benefited. Because of this provision, the young adult age group no longer has the highest rate of being uninsured.

**5** More **oversight of premium increases** is required under the law. Insurance companies must publicly justify rate increases of 10 percent or more.

**6** Since Sept. 15, 2010, uninsured individuals with pre-existing conditions can enroll in a subsidized program that provides comprehensive coverage. The federal government provides **\$141 million to Michigan** for subsidies for this program, Health

Insurance Program for Michigan (HIP Michigan). As of December 31, 2011, 789 individuals have enrolled in the program.

**7** Nearly 91,000 Michigianians caught in the Medicare Part D “donut hole” received \$250 checks to help pay for their drug costs in 2010. In 2011, more than 84,000 Medicare beneficiaries reached the “donut hole” and received a **50 percent discount** on their brand-name drugs, saving them nearly \$49 million.

**8** **You cannot lose your insurance** if you become ill or your child cannot be excluded from coverage because of a pre-existing condition. No lifetime limits, either.

**9** Tax breaks are available for small businesses that cover at least half the cost of health care coverage for their employees. More than **100,000 small businesses** could be helped by this provision.

**10** Insurance companies must spend 80 percent of collected premiums on medical care or **quality improvements** (rather than administration or advertising) or provide rebates. First rebates are due in August 2012. Greater value will be provided to 2.5 million Michigianians with private coverage.

**11** **Members of Congress** will have “skin in the game.” They will obtain their **healthcare coverage** through the **exchange**, ensuring their interest in the successful implementation of the Act.



Source of Michigan beneficiaries: [healthcare.gov](http://healthcare.gov)