

## [Patient Protection and Affordable Care Act of 2009 Now in Effect](#)

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On March 23, 2010, President Obama signed the [Patient Protection and Affordable Health Care Act of 2009](#) (“PPACA”) into law. (After the amendments made March 30, 2010, the law is referred to as *The Affordable Care Act*.)

While Republicans in Congress vow to repeal such enactment, key aspects of the PPACA went into effect on September 23, 2010, which marks the six-month anniversary of the legislation.

Although the following list is not exhaustive, here are some of the more notable changes in the health care reform law (effective September 23, 2010) that will apply to individual and group health plans:

### Coverage Changes

#### No Lifetime or Annual Limits on Essential Benefits:

Health plans may not contain lifetime limits on the amount of benefits that will be provided for essential benefits. No regulations have yet been issued regarding the definition of “essential benefits, which in general include, but are not limited to, ambulatory patient services, emergency services, hospitalization, maternity and newborn care, prescription drugs, laboratory services, preventive and wellness services, and chronic disease management. As for annual limits, for plan years beginning before January 1, 2014, the Department of Health and Human Services’ (“HHS”) interim regulations adopt a three-year phase-in approach of removing annual limits on essential health benefits. For more information, click [here](#).

#### Anti-Rescission Rules:

Health plans may not rescind, i.e., retroactively cancel coverage, except in cases of fraud or intentional misrepresentations of material fact. These rules do not apply to prospective cancellations or any cancellation due to failure to timely pay premiums.

#### Mandatory Preventative Health Care Services:

Health plans must provide benefits without cost sharing (i.e., no co-payments, deductibles or co-insurance) for certain preventative services, including, but not limited to, immunizations recommended by the CDC, as well as preventative care and screening for infants, children and adolescents and for women as recommended by the Health Resources and Services Administration. Grandfathered health plans are exempt. (A grandfathered health plan is a group health plan that was created – or an individual health insurance

policy that was purchased – on or before March 23, 2010, and a health plan must disclose in its plan materials whether it considers itself to be a grandfathered plan.)

Extension of Adult Dependents Coverage:

For health plans that elect to provide dependent coverage, such coverage must be extended to adult children up to age 26.

No Pre-existing Condition Exclusions for Children:

Health plans may not impose any preexisting condition exclusions for children 19 and under. (Grandfathered plans are exempt.)

**Patient Protection Changes**

Right to Choose Primary Care Provider (“PCP”):

For health plans that require designation of a PCP, the patient must be allowed to designate any participating PCP accepting new patients. For children, any participating physician specializing in pediatrics can be designated as the child’s PCP and, for women, any participating OB-GYN can be designated as a PCP.

Coverage for Emergency Services:

For health plans that provide coverage for emergency services, such plans must do so without requiring prior authorization and regardless of whether the provider of emergency services is a participating provider. Emergency services provided by a non-participating provider must also be provided at the same level of cost-sharing as would apply to a participating provider.

Appeals Process:

Group plans must provide for an internal appeals process that complies with the U.S. Department of Labor regulations and individual plans must provide an internal appeals process that comports with the standards established by the Secretary of Health and Human Services. Both group and individual plans must also provide for an external appeals process that complies with applicable law or at a minimum with the [NAIC Uniform External Review Model Act](#).

Additional health care reform changes will continue to take effect in 2010 and as late as 2018. More information about the PPACA can be found on the National Association of Insurance Commissioners (NAIC) website [here](#).

For additional information on ERISA plans and the PPACA, the U.S. Department of Labor has posted information on its website [here](#).

For additional information on the PPACA and individual policies and nonfederal governmental plans, the HHS has posted information on its websites [here](#) and [here](#).