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### Health Benefit Changes: September 23, 2010

The chart below is designed to help you understand how your health insurance benefits may change after September 23, 2010 as a result of the passage of the Patient Protection and Affordable Care Act (PPACA). There are different types of health insurance benefits. Under a health insurance contract (“health insurance”), your health insurer agrees to pay for some or all of your health care costs in exchange for a premium. Under a self-funded plan (“plan”), your employer, union or other group sponsor agrees to pay for your health care services. ***This chart only shows what will change if you have health insurance.*** Because these changes are incremental improvements, the new benefits will not result in any noticeable premium increase in your current health insurance; your premium may increase for other reasons (e.g., age, health care cost increases).

For more information on health insurance, refer to [A Consumer Guide to Health Insurance](http://www.mdinsurance.state.md.us/sa/documents/CGHealth-09-09-web.pdf) which can be found at <http://www.mdinsurance.state.md.us/sa/documents/CGHealth-09-09-web.pdf> or by contacting us at 1-800-492-6116.

Benefit	Current Maryland Law	PPACA	What will change for your health insurance
Coverage for children up to age 26	Dependent, unmarried children may remain on parent’s plan until age 25	Children may remain on parent’s coverage until age 26 <sup>1</sup>	Your child may remain on your policy up until age 26 even if your child is not your dependent and is married.
Lifetime limits	Prohibited for health maintenance organizations (HMOs)	Prohibited for “essential benefits” <sup>1,2</sup>	Your health insurance policy will no longer have a lifetime limit for essential benefits.
Annual limits restricted	Prohibited in the small group market (health insurance sold to employers with 2-50 eligible employees)	Annual limits for plan years (for individual plans, policy years) beginning: <sup>3,4</sup> <input type="checkbox"/> On or after 9/23/2010 but before 9/23/2011, \$750,000 <input type="checkbox"/> On or after 9/23/2011 but before 9/23/2012, \$1,250,000 <input type="checkbox"/> On or after 9/23/2012 but before 1/1/2014,	Your current health insurance policy will not change.  If you buy a new health insurance policy, it will have annual limits no lower than \$750,000.

Benefit	Current Maryland Law	PPACA	What will change for your health insurance
		\$2,000,000	
Pre-existing condition limitations	Prohibited for HMOs	Prohibited for children under age 19, plus prohibits denials of coverage for children under age 19 <sup>3,4</sup>	Your current health insurance policy will not change.  If you buy a new health insurance policy, your children must be covered.
Preventive Care Benefits	<p>Maryland requires the following preventive care benefits, but does not prohibit cost-sharing for the benefits:</p> <ul style="list-style-type: none"> <li>• Individual and large group insured markets: mammography screening, child wellness, osteoporosis screening, prostate cancer screening, chlamydia and human papillomavirus screening, colorectal cancer screening, smoking cessation treatment</li> <li>• Small employer insured market: Preventive services recommended in the report of the United States Preventive Services Task Force, Guide to Clinical Preventive Services; prostate cancer screening, colorectal cancer screening, PSA screening, mammography screening, audiology screening for newborns</li> </ul>	<p>The following services must be covered without cost-sharing (copayments, coinsurance, and deductibles), unless received from a non-network provider:<sup>5</sup></p> <ul style="list-style-type: none"> <li>• Evidence based items or services with an “A” or “B” rating from United States Preventive Services Task Force</li> <li>• Immunizations for routine use recommended by Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention</li> <li>• For infants, children and adolescents-- evidence-informed preventive care and screening in guidelines supported by Health Resources and Services Administration</li> <li>• For women, to the extent not described in 1 above, evidence-informed preventive care and screenings provided in guidelines supported by the Health Resources and Services Administration</li> </ul>	<p>Your current health insurance policy will not change.</p> <p>If you or your employer buys a new health insurance policy, you will not have any cost-sharing for preventive services.</p>

Benefit	Current Maryland Law	PPACA	What will change for your health insurance
Rescissions	Health insurers must complete medical underwriting and resolve all reasonable medical questions on the application before issuing health insurance. Health insurers may rescind health insurance for fraud or material misrepresentation.	Health insurers may rescind health insurance for fraud or intentional misrepresentation. <sup>1</sup>	You will not see a change in your benefits.
Choice of Provider Provisions	HMOs must allow you to select your Primary Care Physician. Women have direct access to OB/GYNs.	Children may select a pediatrician in the network. Women have direct access to OB/GYNs. <sup>5</sup>	You will not see a change in your benefits.
Emergency Care Provisions	HMOs may not require preauthorization of emergency services and must pay non-network providers 125% of the average amount paid to network providers and non-network providers must accept this as payment in full (you may be responsible for a copayment or coinsurance amount).	Benefits for emergency services: <sup>5</sup> <ul style="list-style-type: none"> <li>• May not require preauthorization</li> <li>• Must be provided even if provider is out-of-network</li> <li>• Must have the same administrative requirements or limitations for in-network and out-of-network</li> <li>• Copayment amounts and coinsurance amounts for out-of-network can not exceed same amounts for in-network</li> <li>• Patients may be balance billed by out-of-network providers (not for HMOs in Maryland)</li> <li>• Carriers may comply by paying the greater of: <ul style="list-style-type: none"> <li>○ Amount negotiated with in-network providers (median amount)</li> </ul> </li> </ul>	Your current health insurance policy will not change.  If you or your employer buys a new health insurance policy, you may see a decrease in your out-of-pocket costs for emergency services provided by out-of-network providers.

Benefit	Current Maryland Law	PPACA	What will change for your health insurance
		<ul style="list-style-type: none"> <li>○ Amount used by carrier to determine amount of payment to out-of-network provider, but using in-network cost-sharing</li> <li>○ Amount that would be paid under Medicare</li> <li>● May impose deductibles and out-of-pocket maximums for out-of-network emergency services that are generally applied to other out-of-network services</li> </ul>	

<sup>1</sup> Applies to grandfathered/non-grandfathered health insurance and plans for plan or policy years beginning on or after September 23, 2010.

<sup>2</sup> Essential benefits have not been fully defined, but PPACA indicated it would include ambulatory patient services, emergency services, hospitalization, maternity and newborn care, mental health and substance use disorder services (including behavioral health treatment), prescription drugs, rehabilitative services and devices, laboratory services, preventive and wellness services and chronic disease management; and pediatric services (including oral and vision care).

<sup>3</sup> Applies to group grandfathered/non-grandfathered health insurance and plans for plan or policy years beginning on or after September 23, 2010.

<sup>4</sup> Applies to non-grandfathered individual health insurance for policy years beginning on or after September 23, 2010.

<sup>5</sup> Applies to non-grandfathered health insurance (group and individual) and plans for plan years (for individual, policy years) beginning on or after September 23, 2010.