

Return Service Requested



Aging Alert

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MORE FEDERAL AGING \$\$ POSSIBLE?

With state aging funds cut for FY 2011, Michigan's aging network is hoping Congress will appropriate an increase in Older Americans Act (OAA) dollars to help patch the holes. A House Subcommittee and a Senate Committee have recommended sizeable OAA increases. However, all appropriations bills were put on hold while Congress left town to campaign. Congress passed a continuing resolution to keep the government going at 2010 spending levels until December 3.

Adding to the concern . . . federal stimulus funds for senior meals ended as of October 1, 2010, leaving a \$3.3 million hole in the meals programs, mostly meals-on-wheels. \$3.3 million pays for 700,000 meals serving 4,500 homebound older Michigianians. Adding to the woes, a recent change in the federal funding formula means that Michigan will automatically lose about \$200,000 each year in federal OAA monies.

Funding for the Older Americans Act has not kept pace with inflation or the growth of the older population. The Obama administration recognized the problem by recommending a 13% increase in Title III-B Supportive Services, 31% increase in Family Caregiver programs, 6% increase for elder abuse/ombudsman, and 1% increases for congregate and home-delivered meals. A House Subcommittee is recommending a 9% increase overall for the OAA but did not identify specific programs. A Senate Committee endorsed Obama's increases and added even more funding for senior meals along with elder abuse/ombudsman.

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Congress will face the task of completing the 2011 budget when it returns after the November 2 election. It could decide to finish the appropriations bills already begun, it could combine all of the bills into an omnibus bill, or it could just extend the continuing resolution through the end of 2011. OAA increases are possible under the first two scenarios. Stay tuned for more updates on OAA funding for 2011.

ACA HEALTH REFORMS IMPLEMENTED THIS FALL

While major provisions of federal health reform (known as the “Affordable Care Act” or ACA) are still years away, some consumer-friendly tweaks of the health care system were launched in September and October of this year. The reforms will help some uninsured and underinsured, and increase access to health promotion and disease prevention services. (They do not affect people on Medicare.) Changes go into effect immediately for customers purchasing a new policy after September 23. Customers with existing policies will see the changes when they renew their coverage on or after September 23 (exceptions noted below). Here are the details:

New Health Plan for Adults with Pre-existing Conditions

On October 1st, Michigan rolled out a new high-risk pool offering a comprehensive policy for adults 19+ with pre-existing conditions uninsured for at least six months. Only one chronic condition is needed to qualify, and there are 64 eligible conditions including rheumatoid arthritis, heart disorders and diabetes. Physicians Health Plan (PHP), a Lansing-based HMO is offering the policy statewide, using \$141 million in federal ACA monies to make premiums more affordable. For example, a policy for an individual age 50-54 costs \$447.08 monthly, for those 55-59 the premium is \$563.27, and for 60-64 the premium is \$686.61. For more information, call PHP at (877) 459-3113 or go to www.phpmm.org.

Benefit Limits

ACA prevents all insurers from imposing lifetime dollar limits on health benefits as of September 23. (Non-monetary limits can still be used, for example – limits on the number of doctor visits). Dollar limits on annual benefits are regulated starting in September, and cannot be less than \$750,000 in 2010. The annual limit goes up in 2011, 2012 and 2013, with all annual limits forbidden starting in 2014. The annual limit caps apply to grandfathered group plans, but not to grandfathered individual plans. (Grandfathered plans are those that existed when health reform was adopted by Congress on March 23, 2010.)

Preventive Care

New health plans must provide 100% coverage for certain preventive services. However, the services must be obtained within the plan’s network of providers. This requirement does not apply to grandfathered individual or group plans.

Prior Authorization for Emergency Services

ACA requires health plans that provide emergency services to cover them without a requirement for prior authorization. In addition, plans cannot charge a higher copay for emergency services outside their approved network. These changes do not apply to grandfathered plans.

Choice of Primary Provider

Parents now have the right to designate a pediatrician as their child’s primary provider and adults also have the right to choose their primary provider. The new law also allows a woman to see her OB/GYN without a referral. Does not apply to grandfathered plans.

Coverage for Young Adults

Beginning September 23, all health plans that provide dependent coverage are required to cover dependents up to the age of 26. (Includes new plans and grandfathered plans.) The dependents can be married and do not have to live with their parents. However, they cannot have access to an employer-provided plan.

Coverage for Children with Pre-existing Conditions

Prior to reform, children with pre-existing conditions could be denied coverage altogether on individually-purchased policies. While they could not be turned away on employer-based plans, coverage could be denied for the pre-existing conditions. Starting September 23, ACA requires plans to cover children up through age 18 including treatment for pre-existing conditions, and insurers cannot put limits on benefits for pre-existing conditions. This rule applies to all group plans and new plans on the individual market. It does not apply to grandfathered individual plans.

Appeal Rights

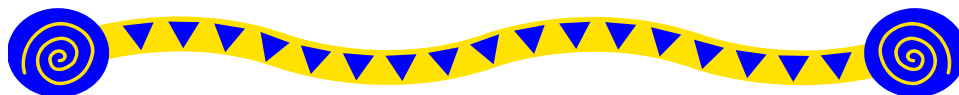
Health insurers are now required to have a first-level internal appeals procedure to handle consumer complaints, along with a second-level external procedure administered by an independent third party. Does not apply to grandfathered plans.

Cancellations and Waiting Periods

Insurers are no longer allowed to cancel (rescind) a policy unless the customer has committed fraud or misrepresented the facts. This consumer protection applies to all grandfathered plans as well as new plans. In addition, all plans must eliminate waiting periods longer than 90 days.

ACA HELPS EMPLOYERS PROVIDING RETIREE HEALTH BENEFITS

To date, over 180 employers in Michigan have signed up for a little-known ACA benefit. Employers providing early retiree health benefits for those 55-64 can receive subsidies from the federal government (called “reinsurance”) to make coverage more affordable for the employers and employees. For retiree claims between \$15,000 and \$90,000, employers are reimbursed for 80% of the cost. Employers benefitting include the State of Michigan, units of local government, labor unions, and companies such as Kellogg, Dow Chemical, General Motors and DTE Energy. For more information, go to the federal government’s website on health reform -- www.HealthCare.gov.



FREE CELLPHONES AVAILABLE



Are you living on a modest income and find it hard to pay your bills? If you qualify, Assurance Wireless will send you a free cell phone with 250 minutes provided free each month, as part of a federal program known as Lifeline.

There are two ways to qualify. Adults on certain federal programs can qualify if they send proof of eligibility. Programs include Medicaid, Food Stamps, Supplemental Security Income, TANF, Section 8 or federal public housing, and home heating assistance. Adults can also qualify based on their household income, with proof of income provided. The annual income limit is \$16,245 for an adult living alone, and \$21,855 for a two-person household. (The limits are higher for three or more people.) Call 1-888-898-4888 for more information or to fill out an application over the phone. The one-page application form can also be found on the Assurance Wireless website at www.assurancewireless.com.



CAPITOL BRIEFS

Elder abuse legislation is high on the agenda for aging advocates in the post-election “lame duck” session. Advocates are hoping for action on a group of bills already passed by the House that are now in various Senate Committees. House Bill 5011 would allow a third party to file a complaint of abuse, neglect or exploitation. It addresses the problem of vulnerable adults, including elders, being reluctant to file complaints against relatives by allowing others who have witnessed the crime to file a complaint. House Bill 5191 would require all nursing home staff to report patient abuse directly to the state. House Bill 5193 would expand the legal definition of abuse to include financial exploitation. House Bill 5195 prohibits an abuser from inheriting his/her victim’s assets, and House Bill 5210 requires a protocol be developed to ensure thorough abuse investigations. HBs 5011 and 5195 are in the Senate Judiciary Committee, chaired by Sen. Wayne Kuipers (R-Holland). HB 5191 is in the Senate Families and Human Services Committee, chaired by Sen. Mark Jansen (R-Grand Rapids). HBs 5193 and 5210 are in the Senate Senior Citizens and Veterans Affairs Committee, chaired by Sen. Jason Allen (R- Traverse City). Almost 75,000 seniors are victims of elder abuse in Michigan, according to the 2006 report of the Governor’s Elder Abuse Task Force.

Changes proposed in state no-fault auto insurance laws could leave accident victims with inadequate coverage, according to the Michigan Brain Injury Provider Council (MBIPC). The group is sounding an alarm over House Bill 6094, which allows drivers to purchase no fault insurance with limited personal injury protection (PIP). Current law requires drivers to purchase unlimited lifetime health benefits, but the bill would allow insurers to offer PIP benefits capped at levels ranging from \$50,000 to \$400,000 for a lifetime. Most drivers think they will never be in a serious accident, and many would be tempted to choose the lower coverage to save a few dollars, according to MBIPC. But with the high cost of medical care and long term care, drivers with capped benefits would soon exhaust them, face bankruptcy and be forced on public benefits such as Medicaid. HB 6094 is in the House Insurance Committee, chaired by Rep. Barb Byrum (D-Onondaga).

The Geriatric Education Center (GEC) of Michigan has just received a five-year federal grant to continue training health professionals in how to provide quality care to older adults. Begun in 1987 and housed at Michigan State University, GEC is a joint effort of MSU, University of Michigan, Saginaw Valley State University, Wayne State University and the Michigan Public Health Institute. Their goal is to train health professionals in geriatric care, including physicians, nurses, social workers and pharmacists. Their efforts come none too soon. Recent studies show that less than 1% of medical residents in Michigan are choosing to specialize in geriatric care, in part because it is one of the lowest paid medical specialties. Specific projects include increasing the number of geriatric fellowships in Michigan for medical residents, providing 5-minute training sessions on dementia care for practicing physicians and other professionals in their own offices (called ‘dementia detailing’), and training professionals working at veterans outpatient clinics across the state. For more information, go to www.gecm.msu.edu.

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