



Health Reform and the AAP: What the New Law Means for Children and Pediatricians

Throughout the health reform process, the American Academy of Pediatrics has focused on three fundamental priorities for children and pediatricians, which are as simple as “A-B-C”—**A**ccess to covered services through appropriate payment rates and workforce improvements, age-appropriate **B**enefits in a medical home and health insurance **C**overage for all children in the United States. *The Patient Protection and Affordable Care Act* (Public Law 111-148) and *The Health Care and Education Reconciliation Act of 2010* (Public Law 111-152) not only address these goals, but also provide many additional benefits for children and pediatricians.

The Health Reform Law will:

Improve access to covered services:

- Invest an unprecedented \$8.3 billion in federal funds to bring parity to Medicaid and Medicare payments for primary care doctors. The increase applies to payments for evaluation and management codes recognized by Medicare starting in 2013 and running through 2014, and is available to physicians with a specialty designation of internal medicine, family medicine or pediatrics.
- Strengthen the pediatric primary care, subspecialty and surgical specialty workforce through Title VII and other improvements as well as a new loan repayment program (up to \$35,000 a year for three years) for individuals who pursue full-time employment in pediatric medical subspecialties, pediatric surgical specialties, or child and adolescent mental and behavioral health care fields.
- Fund state-based health insurance exchanges, which are designed to make health insurance more accessible for small businesses and individuals.
- Define Medicaid to include the provision of health care services, not just the financing of such services. This change should have a positive impact on the ability of Medicaid-eligible children to seek court enforcement ensuring access to needed health care.

Provide age-appropriate benefits to children:

- Cover all *Bright Futures* services for children with private and public insurance as an immediate benefit with no cost-sharing.
- Provide comprehensive, essential benefits for newly-established plans in the health insurance exchange, including habilitative care, pediatric services, oral and vision services. All plans will limit annual out-of-pocket expenses to \$5,000 per individual and \$10,000 per family. Exchanges must be ready to begin offering insurance by 2014, or the federal government will establish one for the state.
- Provide new funding for Medicaid medical home demonstration projects.

Increase health insurance coverage for children and families:

- Expand health insurance to cover nearly thirty-two million more children, parents and other individuals.
- Preserve the Children's Health Insurance Program with funding through fiscal year 2015 and provide an increased federal funding commitment to states through 2019.
- In 2010, ban pre-existing condition exclusions for children, and in 2014, prevent children and adults from losing access to health insurance if they become sick.
- Eliminate annual caps on health insurance coverage.
- In 2010, allow young adults to stay on their parents' health insurance until age 26. In 2014, the law will also require Medicaid coverage to be extended up to age 26 for foster children who have aged out of the foster care system.
- Beginning in 2010, require health plans in the private sector to provide coverage without cost-sharing for services such as *Bright Futures* services for infants, children and adolescents, immunizations, and additional preventive care and screenings for women.