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National Patient Advocate Foundation Commends Supreme Court Decision to Uphold Health Reform Law and Key Patient Coverage Provisions

Law's Elimination of Pre-Existing Conditions as an Insurance Barrier, Removal of Annual and Lifetime Caps on Coverage, and Limit on Out-of-Pocket Health Care Costs Essential to Improving Americans' Access to Health Care

WASHINGTON – The National Patient Advocate Foundation (NPAF) today applauded the U.S. Supreme Court decision to uphold the Patient Protection and Affordable Care Act (PPACA) and its important insurance coverage protections for patients, including the elimination of pre-existing conditions as a barrier to coverage, the elimination of annual and lifetime caps on insurance coverage and the capping of out-of-pocket health care expenditures.

"The protections under the PPACA are especially important to the patients served by the Patient Advocate Foundation, because each of them determines, first, whether a patient will have access to important health services, and second, whether a patient can afford the health care they require," said Nancy Davenport-Ennis, founder and CEO of NPAF. "We are pleased that the Supreme Court has opted to maintain these key provisions by upholding the PPACA, and we look forward to working with policymakers and the broader health care community in making certain that these patient protections continue to assist the millions of Americans that they were intended to help."

NPAF has long supported legislative efforts to remove pre-existing condition coverage exclusions and additional barriers to health care for patients. For example, the Foundation conducted extensive research, compiled wide-ranging patient stories and worked closely with Representative Joe Courtney (D-CT) to introduce the Preexisting Condition Exclusion Patient Protection Act in 2007, which would have eliminated pre-existing condition exclusions and waiting periods for all individuals regardless of health status or insurance type. With the Court's ruling that the individual mandate can stay as part of Congress's power under a taxing clause, this means that almost every American will be required to buy health insurance by 2014, which will help fund a number of insurance reforms designed to dramatically expand access to affordable, quality health care. Key provisions include:

1) **Effective in 2014, eliminates the use of pre-existing conditions to deny or impose waiting periods on insurance coverage.** About 12.3% of patients assisted by Patient Advocate Foundation (PAF) reported issues with pre-existing conditions or underwriting in 2011, which is a decrease of 25.9% from 2010 (16.6%).[1] With the maintenance of this protection, NPAF expects this figure to continue to drastically decrease.
2) **Eliminates the placement of annual and lifetime caps on insurance coverage.** In 2011, 47% of the patients contacting PAF for assistance involving benefit maximums had exhausted their annual maximum benefit, a 6.6% increase from 2010. However, 5.3% of patients had exhausted their lifetime maximum which is an 8.4% decrease from 2010. PPACA banned plans beginning on or after September 23, 2010 from cutting off policyholders' coverage for healthcare services when a lifetime benefit was reached, which may explain this decrease. The law phases out annual limits over a period of three years and will completely ban annual caps January 1, 2014.
3) **Imposes a cap on the out-of-pocket expenses patients must pay to receive care.** Insurance plans that require high out-of-pocket healthcare expenses impede the ability of some insured to access health care, in that their access is limited to the amount they can afford to pay.

"Despite the expected additional political challenges that may ensue from today's ruling, NPAF joins the Supreme Court in believing that these and other fundamental provisions providing improved patient access to affordable care should be maintained," added Davenport-Ennis. "NPAF will continue to offer our support to the insurance industry in rolling out these vital reforms and making certain that quality, affordable coverage is available to the millions of men, women and children in our nation who are currently uninsured or underinsured."

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[1] 2011 Patient Data Analysis Report, page 3. Patient Advocate Foundation