



Net Worth- Kathleen Pender

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New Health Plans to Offer Free Preventive Care

Starting Sept. 23, Americans with new health plans or policies won't have to pay out-of-pocket for many preventive health care services including colonoscopies; mammograms; well-child visits; many immunizations; screening for cholesterol, depression and sexually transmitted diseases; and counseling for obesity, tobacco and alcohol use.

On the downside, insurance plans that don't charge the consumer for these services are likely to charge higher premiums, deductibles or other fees.

People who keep their existing individual or group plans won't be entitled to the free services unless the plans make substantive changes.

It's all part of the new health reform law. It says that new health policies beginning on or after Sept. 23 can no longer charge patients a co-payment, coinsurance or deductible for certain preventive services performed by a network provider.

Last week, the U.S. Departments of Health and Human Services, Labor, and Treasury issued new regulations that spell out which services must be covered at no out-of-pocket cost.

The bill does not prevent insurance companies from making up for these lost revenues in other ways.

In theory, providing free preventive care should reduce health care costs in the long run by cutting down on avoidable diseases.

This assumes the "free" visit doesn't lead to other costly tests or procedures and that people actually change their habits to curb problems such as diabetes, lung cancer, heart disease or alcoholism.

"The administration is going to have a huge challenge trying to control the cost of things associated with personal responsibility and self-discipline," says Phil Lebherz, executive director of the Foundation for Health Coverage Education.

Who is covered?

The new regulations don't apply to "grandfathered" plans. These are plans that were in effect March 23, when the health care legislation was signed, and make no significant changes (excluding premiums) thereafter.

If you have an individual policy and it stays roughly the same, you will not automatically get free preventive care starting Sept. 23.

To get it, you would have to switch to a new policy, which could be a problem if you are older than 18 and have a pre-existing condition. Even if you are healthy, the new policy could cost more.

If you have insurance through work, and the plan maintains its grandfathered status, you will not automatically get free preventive care, although many group plans already provide some preventive care at no cost.

But if your employer adopts a new plan or makes substantive changes to your existing plan, you will be entitled to free preventive care when the new plan year begins on or after Sept. 23. If your plan year begins Jan. 1, as many do, you would have to wait until next year to make sure a service is free.

If you switch from one grandfathered plan to another grandfathered plan with the same employer, you won't be entitled to the new benefits.

A plan could lose its grandfathered status if it reduces benefits; raises co-payments, coinsurance or deductibles; or reduces the employer share of the cost by more than a certain amount. For more on grandfathering, see links.sfgate.com/ZJZO.

Over the next five years, most group plans will lose their grandfathered status, Leberz says.

But many employers are still deciding whether to keep their plans grandfathered next year, says Kathy Bakich, a senior vice president with the Segal Co., a benefits consulting firm.

During open enrollment, employers must disclose whether their plans will be grandfathered for the next plan year. If open enrollment is in the fall, employees who can postpone preventive care might wait to see if their plan will be grandfathered.

What is free?

If you qualify for free preventive care, you can still be charged for certain services.

For example, screening will be free for colon and breast cancer, but not skin cancer. Birth-control contraceptives will not be free. Counseling for smoking cessation will be free, but nicotine patches will not.

Routine checkups for children and babies will be free, but an adult could be charged for an annual physical, depending on how the visit is billed and its primary purpose. "That's where it becomes a gray area," Leberherz says.

You also could be charged for covered services if you go outside your network.

The new regulations put covered services into four groups:

-- Recommendations made by the U.S. Preventive Services Task Force with a grade of A or B. For a list, see links.sfgate.com/ZJZP.

-- Recommendations of the Advisory Committee on Immunization Practices that have been adopted by the Centers for Disease Control and Prevention.

-- For children, the Bright Futures Recommendations for Pediatric Preventive Health Care, and the Uniform Panel of the Secretary's Advisory Committee on Heritable Disorders in Newborns and Children.

-- A list of additional services for women is still being developed.

To learn more about covered services, go to links.sfgate.com/ZJZQ. For a simpler version, version, see links.sfgate.com/ZJZR.

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