

# Virgin Islands Consumer Assistance Program

## OVERVIEW OF THE VIRGIN ISLANDS CONSUMER ASSISTANCE PROGRAM

On March 23, 2010, President Barack Obama signed into law the Patient Protection and Affordable Care Act. This law was followed by the creation of the Health Care and Education Reconciliation Act of 2010 signed into law on March 30, 2010. The two laws are collectively referred to as the Affordable Care Act. The Affordable Care Act includes a wide variety of provisions designed to promote accountability, quality and accessibility in health care system. Included in the Affordable Care Act are significant grant funding for states to work with the Federal Government to implement health reform.

The Virgin Islands Consumer Assistance Program (CAP) was created in 2011 as part of the Division's ongoing effort to expand the consumer protection programs we offer to the Virgin Islands community. The Division of Banking and Insurance is the regulatory body charged with the supervision of different areas of the territory's financial industries including the health insurance market. Our goal is to protect the financial interests of our residents.

## MISSION STATEMENT

The mission of the Virgin Islands Consumer Assistance Program is to assist health insurance consumers with health insurance enrolment, support the complaints and appeals process, and educate consumers about their rights and responsibilities with respect to individual and group health plans and the Affordable Care Act.

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What is the Virgin Islands Consumer Assistance Program?

It is a program created to help our health insurance consumers navigate the changes to healthcare coverage that were brought about by the Patient Protection and Affordable Care Act. It is a federally funded program that has three major objectives...first, to investigate consumer complaints, second, to collect complaint data and third, to assist with claims and appeals.

Why is healthcare reform important?

There have been a growing number of healthcare consumers that do not have a voice when it comes to the type of health insurance coverage they receive or have access to. In some cases their coverage would be dropped if they have certain medical conditions. There has been a continual rise in the cost of health coverage which has outpaced the

consumer's average hourly wage. By the year 2019 without reforms in place, health spending per insured person is predicted to be about \$16,800. On the other hand with reform, that amount will be reduced by approximately 10% to just over \$15,000 ([www.HealthReform.gov](http://www.HealthReform.gov)).

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What new consumer protections will I get?

The Affordable Care Act requires all health plans, including grandfathered health plans to provide certain new protections for plan years beginning on or after September 23, 2010. The reforms that apply to all individual market health plans include:

• No lifetime plan limits;

• No rescissions of coverage when sick a have unintentional mistakes on application;

• Extension of coverage to young adults under 26 years old on parents' plan.

What do the grandfather rules provide?

The grandfather regulation is intended to accomplish a sense of balance between permitting available health plans to make regular adjustments while inhibiting plans from creating such significant changes that people are unhappy with such modifications. Because of this, the transition will be made easy enough for the nation's health care and health insurance industries to meet the terms of the Affordable Care Act.

What are some of the preventative care services for adult and how will they affect me?

• Blood pressure, diabetes and cholesterol tests

• Cancer screening

• Some vaccines

• Pap smears for cervical cancer prevention

• Well-baby and Well-child visits

• Mammograms for women over 40

• Shots for pneumonia and flue prevention

• Screening, vaccines and counseling for healthy pregnancies

• Colon cancer screening test for adults over age 50

If you have a new health insurance plan or insurance policy beginning on or after September 23, 2010, the following preventive services must be covered without you having to pay a copayment or co-insurance or meet your deductible. This applies only when these services are delivered by a network provider.

What will the health reforms mean for employers?

The highest prices for insurance coverage are paid by small business owners and entrepreneurs. They suffer from the most limits on their benefits. Lack of leverage causes them to make significant changes in their coverage on a yearly basis. Now they can take advantage of the Affordable Care Act's new protections and transition from their present

grandfathered plans over the next couple of years. Some provisions they will enjoy with the new reforms by 2014 are tax credits for premiums paid and heavier restrictions against unacceptable insurance customs like refusing to insure employees with pre-existing health conditions.

Will it be complicated for employers take action in response to increasing health care expenses and new changes due to the grandfather rules?

No. Health plans that have grandfather status will still have the maneuverability to make adjustments as needed to stay effective but not modify benefits or cause health fees to rise significantly. Plans will be able to:

• Adjust premiums to reasonable rates yet keeping pace with health care expenses;

• Modify premiums within the limits of benefits being offered;

• Raise within reasonable limits Deductibles and out-of-pocket expenses; and

• Continue to enroll new employees and family members.

What is a health insurance exchange?

A group of state-regulated and standardized health care plans in the United States and Territories, from which persons can buy federally, subsidized health insurance. The territories of the United States are not mandated to implement an exchange program.

Please click on the title to download.

- Patient Protection and Affordable Care Act and How it Affects You (English)
- La Ley del Cuidado de Saluda Bajo Precio Y Usted/Patient Protection and Affordable Care Act and How it Affects You (Spanish)
- Preventive Care Services (English)
- Servicios Preventivos Cubiertos (Spanish)

Brochures

- FAQs (Spanish)
- FAQs (English)

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Consumer Protection Officers at the Division of Banking and Insurance can answer your questions about

üÂ - The Affordable Care Act

üÂ - Health Insurance Coverage

ü - COBRA and more!

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For Consumer Complaints and Inquiries, contact:

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