



## Special Needs and the Affordable Care Act

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The Affordable Care Act (ACA) was passed nearly six years ago and its insurance exchanges are over two years old. How have individuals with disabilities fared under the new system, which is meant to make health coverage universally available? Improvements are undeniable, but gaps remain. While there are more options, making the best choice can be complicated.

### Key benefits

- **Coverage for pre-existing conditions** – Perhaps the most significant improvement is that insurance policies must cover pre-existing health issues, including congenital conditions, at no additional cost and without waiting periods.
- **Essential health benefits** – Insurance plans that participate in the state and federal exchanges must cover certain treatment categories. Those of special interest to individuals with disabilities include habilitative services and devices, behavioral health, mental health and substance abuse, chronic disease management and prescription drugs. Coverage for habilitative services, especially, represents a significant improvement, since it deals with acquiring functional abilities that may be limited due to congenital conditions. States have been granted significant latitude to define coverage for each category.
- **Medicaid expansion and financial subsidies** – States have the option to expand eligibility for Medicaid health services to individuals and families with incomes below 133 percent of the federal poverty level (poverty level for a family of four is \$24,250 in 2016). To date, 31 states and the District of Columbia have done so. In addition, for those with incomes of 100 to 400 percent of the poverty level, subsidies are available for purchases on the state and federal insurance exchanges. The number of states that have signed on for expanded Medicaid continues to change, with some governors indicating renewed interest and others dropping out.
- **Coverage on parents' policies till age 26** – Children may join or remain on a parent's policy, regardless of their situation, until they reach 26. This has special importance for young people with disabilities, since it may enable them to delay application for Medicaid and, possibly, the need to spend down income in order to become eligible. Individuals with special needs face significant adjustments upon

leaving high school—especially the challenges of seeking a job and living more independently. This regulation enables them to focus on these important transitions, secure in the knowledge that their relationships with medical providers will remain stable. On the other hand, employers have, for some time, been seeking to shift more of the cost for workplace-provided insurance to their employees. This is likely to accelerate.

### **How to Choose?**

Before ACA, individuals with disabilities often had to choose between Medicaid, with its strict means-testing, or being uninsured. Today there are more options, but making the best selection can be complicated.

- **Medicaid expansion** – Medicaid waiver programs covering residential placements, long-term care, career supports and other “non-healthcare” services are not available through ACA’s “expanded Medicaid.” Individuals needing such services will almost certainly need to remain with traditional Medicaid. But given the pressure on state budgets, Medicaid coverage is morphing, so knowing exactly what to expect from each program can be a challenge. In addition, many physicians will not accept Medicaid.
- **Private insurance** – Understanding the precise coverage under a particular policy can require detective work. Online descriptions tend to be superficial and customer service professionals frequently lack necessary information. Families may need to slog through policy details or turn to physicians and their staffs, who are rapidly becoming insurance experts.

### **Fluctuating Income**

Eligibility for Medicaid and insurance subsidies is based on an individual’s last income tax return. Job security is an issue for many people, and even more so for individuals with disabilities, since health changes can affect their ability to work. This can mean back-and-forth qualification for Medicaid and subsidies, accompanied by dramatic differences in coverage, drug formularies and physician networks. Such disruptions can be especially difficult for those with disabilities.

### **Community-Based Services**

ACA’s Community First Choice program offers financial incentives to states that provide in-home attendant care through Medicaid. Its intent is to improve the availability of community-based long-term care, and it prohibits enrollment caps or waiting lists.

ACA also extended Money Follows the Person, which seeks to accelerate the movement of institutionalized individuals into the mainstream community. Progress under these programs varies from state to state.

### **Remaining issues**

There are numerous medical issues that ACA has only begun to address. Healthcare providers are often inexperienced in communicating with individuals who have developmental disabilities; sign language interpreters are scarce; documents are unavailable in Braille; diagnostic equipment is inaccessible. While ACA calls for training for medical staff and the development of access standards covering diagnostic equipment, progress is slow.

The verdict? ACA has definitely expanded options for individuals with disabilities, but the system is complicated and some individuals continue to struggle with inadequate coverage.

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