Impact of the Affordable Care Act

Experts Discuss the First Year

☐ Richard Dehnert: Coordinator, Community Relations at Spectrum Healthcare
☐ Marnie Uhl: Executive Director of the Prescott Valley Chamber
☐ Brian Hoefle: CFO of Yavapai County Medical Center
☐ David McAtee: Community Relations, Community Health Services of Yavapai County

9:00–11:00 a.m.
Saturday, November 1, 2014

www.lwvcyc.org

League of Women Voters of Central Yavapai County
Las Fuentes Resort Village
1035 Scott Drive, Prescott

A nonpartisan membership organization, the League of Women Voters neither supports nor opposes political parties or candidates, but encourages informed and active participation in government, works to increase understanding of major public policy issues, and influences public policy through education and advocacy.
Well, the ballots are in the mail - now we wait to see what happens. Our October meeting was a huge success with a full house to hear about the jail tax and the ballot propositions. Tricia Powers and I had an opportunity to present the pros and cons again to the Prescott Valley Chamber of Commerce the next week.

It was great to have the younger generation on hand to talk about Voting Rights, too. Jonathan Alanis with AZ Advocacy Network and Shayna Stevens with the AZ Student Association showed a lot of spirit in their presentations. It is encouraging that other organizations are taking on the fight for voting rights - the League cannot do it alone!

The state of our democracy is complicated and sometimes discouraging. I have purchased an Issues Forum from the Kettering Foundation to bring interested members together to discuss the topic. “Political Fix - How do we get American Politics Back on Track?” When I worked with the Leadership Center at Yavapai College we used the National Issues Forum format to for forums we conducted for the Governor's Office. The packet comes with a DVD to introduce the topic and 10 issue guides to lead us through the discussion. Please let me know if you’d be interested in participating - and we’ll settle on a date.

Our November meeting on the Impact of the Affordable Care Act is timely, in that the law has been in effect for a year now. We have an excellent panel of local experts to give us a us a perspective from the enrollment process, the impact on hospitals, mental health and business. We expect another good crowd, so please plan to arrive early to help us welcome guests interested in this topic.

November brings the holidays into mind - and we have a great place reserved for our holiday social! Prescott Crush Wine Café is the hottest new place in town and has a lovely menu. We’ll have more details later this month. Save the date - December 6th at noon!
As the first year of the implementation of the landmark Affordable Care Act nears its close, more than 8 million Americans have signed up for private coverage through the marketplace. 6.7 million more Americans have enrolled in Medicaid and more than 3 million young adults gained coverage through their parents. (Benefits of the Health Care Reform Law in the 4th Congressional District of Arizona Committee on Energy and Commerce July 2014).

What has been the impact in Yavapai County on the health care system? Has Mental Health coverage changed? How are inpatient mental health needs being met? Are Medicare patients spending more in out of pocket costs due to new qualifications for an “Inpatient Stay”? Are community health centers able to keep up with increased demand? What has been the affect on businesses? Are business dropping coverage?

Join us on November 1st to get a first report from community health and business leaders. Speakers: Brian Hoefle, Chief Financial Officer of Yavapai Regional Medical Center, Richard Dehnert, Community Relations Manager for Spectrum Healthcare & Member of the Yavapai County Board of Health, Marnie Uhl, Executive Director, Prescott Valley Chamber of Commerce, David McAtee, Community Relations Specialist with Yavapai County Community Health Services & Manager of the Outreach and Enrollment program for YCCHS.
Here is a list of the top 10 most common misconceptions and misunderstandings concerning the Affordable Care Act, or ACA, according to Scott Stevens, an Omaha employee benefits broker/consultant:

1. The public health insurance marketplace/exchange is the only place to purchase individual health insurance in 2014 that is subject to the various ACA provisions.

   *False.* The new ACA marketplaces are the only places where individual health insurance coverage can be purchased with federal subsidies/tax credits. However, individual health insurance plans purchased off the ACA marketplace in 2014 contain the same provisions, such as guaranteed issue, no pre-existing condition exclusions, community rating, 10 essential health benefits, limits on out-of-pocket expenses, etc. Coverage purchased off the ACA marketplace is not eligible for a subsidy.

2. The individual mandate and associated penalty applies to everyone.

   *False.* The individual mandate does not apply to individuals who cannot afford coverage because the cost exceeds 8 percent of their household income. It also does not apply to prisoners, Native Americans eligible for care through the Indian Health Care service, immigrants who are in the country illegally, people whose religion objects to having insurance coverage, members of a health care sharing ministry and individuals who experience a coverage gap of less than three consecutive months.

3. All preventive health care is covered at 100 percent, per the ACA.

   *False.* The ACA includes a provision that requires non-grandfathered health insurance policies to cover certain prescribed preventive health care services at 100 percent with no copay or deductible. Some preventive services ordered by a doctor may not necessarily be included on the list of ACA prescribed preventive services, and thus, not covered at 100 percent. Additionally, insurers are not required to provide 100 percent coverage for otherwise eligible preventive care that is provided by non-network providers.

4. All of the ACA provisions apply to all health insurance plans at the same time, regardless of the type of plan, how the plan is insured/funded and when the plan renews.

   *False.* Certain provisions of the ACA that affect individual and fully insured small group plans (fewer than 50 employees) do not affect fully insured large group plans (50 or more employees). Also, group plans that are partially self-funded are not subject to a number of ACA provisions. So called “grandfathered” plans do not have to comply with a number of provisions, provided they continuously maintain grandfather status.

Finally, a health insurance policy’s anniversary date determines when certain provisions apply to a plan. Many provisions become effective upon the plan’s first anniversary date, “on or after January 1, 2014.”

(Note: Many small group plans were offered (and accepted) the option of an “early renewal” effective Dec. 1, 2013. Such plans will not have to comply with a number of ACA provisions until their plans renew on Dec. 1, 2014.)

5. An employer that is subject to the Employer Shared Responsibility provision (aka “the employer mandate” or “pay or play”) that does not offer affordable coverage at a minimum coverage level is automatically fined or penalized.

   *False.* This is perhaps the most misunderstood (and incorrectly explained) provision of the entire ACA. A previous blog post clarified the two types of penalties and the amounts associated with each. (See
Both penalties are triggered specifically by at least one employee doing both of the following:

>> Verifying and being eligible for a federal subsidy.

>> Purchasing coverage on the public marketplace/exchange.

Unless or until at least one employee takes both of these actions, the employer faces no penalty. There is a significant difference between employer shared responsibility exposure versus actual penalty. It’s extremely important for affected employers to understand, and perhaps even calculate, both.

6 Insurance companies are canceling certain health insurance policies that are not “ACA-compliant,” leaving customers uninsured.

**True and false.** The vast majority of nongrandfathered small-group (fully insured) and individual policies in place prior to 2014 do not meet several ACA requirements, such as community rating, 10 essential health benefits and out-of-pocket maximum.

In order to be compliant with the law, insurance companies sent “cancel and replace” notices to affected customers and replaced those policies with ACA-compliant coverage.

Customers were offered a plan that is closest to what was in place, along with some alternative plan designs. In many cases, because the ACA requirements increase the cost of coverage, the replacement plans include higher out-of-pocket limits and/or higher premiums.

So, yes, policies are being canceled, but customers are being offered replacement coverage in order to prevent them from being uninsured.

In March of this year, President Obama also gave states the option of extending the period for renewing otherwise noncompliant plans for individuals and small businesses. Nebraska and Iowa insurance officials said they will allow delayed implementation of several Affordable Care Act provisions to Oct. 1, 2017, based on plan anniversary dates. Check with your insurer about how long such plans will be available as insurers have the choice of whether or not to offer “delayed” plans.

7 An individual who meets the ACA federal poverty level income requirement is automatically eligible for a subsidy for health insurance coverage purchased off a public marketplace.

**False.** An individual who works 30 hours a week or more for an employer of any size that offers health insurance that meets the ACA’s affordability and minimum coverage requirements is NOT eligible for a subsidy, regardless of their income.

This does not mean that affected employees are forced to accept their employer’s health insurance coverage offering. Such individuals can still purchase alternative coverage (spouse’s plan; individual health insurance coverage purchases on or off the marketplace; Medicare, Tricare, etc.). They simply are not eligible for a subsidy. In most cases, if an employee opts to decline his employer’s health insurance offering, he forfeits the employer’s premium contribution.

8 The employer mandate (aka “employer shared responsibility”) compels employers with 50 or more full-time (30 hours per week) workers to offer health insurance coverage to an employee and all of their dependents, or face penalty exposure.

**False.** This provision of the ACA addresses the offering of health insurance to an eligible employee and “their dependents under the age of 26.” Employers are not required to offer coverage to the spouses of their employees. As a result, some employers are considering limiting the offer of health insurance benefits to only their employees and eligible dependents. UPS recently announced that it is no longer extending the offering of coverage to its employees’ spouses. In addition, some employers are requiring employees who
choose to include their spouse on their plan to pay a significantly higher premium, if their spouse is eligible for coverage through the spouse’s employer.

9 The ACA will be funded exclusively by a combination of fines and penalties placed on individuals and employers, and additional taxes assessed on health insurance companies.

**True and false.** While it is true that the ACA relies on revenue generated from fines imposed on both individuals and employers, along with a number of new taxes assessed on insurance companies and self-funded employers, there are several other new fees and taxes associated with ACA funding.

The U.S. Chamber of Commerce has published a list of 18 specific ACA fees, penalties and losses of tax deductions (see [www.uschamber.com/sites/default/files/issues/health/LABR_HealthCareTaxChart_FIN.pdf](http://www.uschamber.com/sites/default/files/issues/health/LABR_HealthCareTaxChart_FIN.pdf)), which, combined with other sources of funding, are projected to provide the necessary funding of the ACA.

These include separate taxes for things like artificial tanning and medical devices. The cost of the ACA is projected by the Congressional Budget Office to be $1.7 trillion over a 10-year period. And there is much disagreement over the potential effects of the ACA on the federal budget deficit. Suffice it to say, the ACA will draw from a number of funding sources in order to fulfill its intended purpose and objective.

Note: It is estimated that the one-year delay in the imposition of the employer mandate will result in a loss of up to $11 billion in employer fine revenue.

10 The ACA’s “minimum loss ratio” or MLR provision, requires insurance companies to issue refunds to each affected policyholder, if the claims paid out on their specific policy were less than 80% of the premiums collected (or 85% for large group customers).

**False.** While the ACA does include the referenced MLR provision, which requires insurance companies to issue refunds to customers if the claims paid amount is less than the applicable premium collected percentage (80 percent or 85 percent), the refunds are not policy specific.

Insurance companies are allowed to pool their insured customers together into approved “blocks” of business, and based on the performance of these blocks of business, the insurers are required to calculate claims-to-premium ratios, and if applicable, issue refunds. So while a particular insured individual or employer group may have a claims-to-premium loss ratio that is less than 80 percent (or 85 percent), if the block of business they are a part of meets or exceeds that figure, there is no refund payable.

*Scott M. Stevens is an Omaha employee benefits broker/consultant. He can be reached at 402-938-5010 or by email at scott@smstevensandassociates.com.*
Be the change you want to see in your World!

The Phoenix based “Leading for Change Fellowship” under the direction of Beth Meyer has been designed successfully to gather a diverse group of community members for the purpose of bringing about change through the creation of servant leadership.

These two GGC supported workshops are designed to take what you know and have experienced and provide the environment for you to reflect critically and discover new ways to effectively influence Community Change.

Where:

The Highland Center for Natural History, 1375 Walker Rd. (before Lynx Lake on the left.), Prescott.

How:

$25.00 donation suggested or a nonperishable food donation. (the donated is for a local food provider)

Call or email for reservations elisabethf19@cableone.net   928-445-5644

When:

October 25th 2-5pm

"The nuts and bolts of being or supporting nonpartisan City official candidates”:

November 22nd 2-5pm

Campaign Planning: Communicating a vision and values through narrative.

Working with Prescott Good Governance – a Friend of the League
General Meeting on October 4th was a great turn out. We had 69 total in attendance.

Fall Fest in the Park was very rewarding. We had some good feedback from those who know LWV well and answered questions for those who wanted to know more about LWV. We hope to be back at the Court House Square in the future. A big Thank You to the volunteers Lindsay Bell, Cappi Comba, Susan Fleming, Linda Greenberg, and June Ruth.

We had 5 people attend the Coffee on Thurs., Oct 16 at Starbucks.

Please email Membership VP Dale Domzalski domzalski@cableone.net or phone 928-237-9093, with your ideas for new members or membership activities.
Toni Denis, Courier Columnist, 10-01-2014

"The best argument against democracy is a five-minute conversation with the average voter." - Winston Churchill

I have a friend who thinks anyone who votes should be required to pass an IQ test. Recently, someone proposed that candidates should be required to take a civics test. In this country, we have the right to vote or run for office regardless of our mental capabilities. What amazes me is that people take this right for granted, while in other countries it is treasured and protected.

Independents are the largest voting bloc in Arizona now. The irony is that they are the least likely group to vote, with an average of 10 percent turning out at any given election. Also, the ability to run as an independent is discouraged in this state with rules that require a disproportionately higher number of signatures for nomination petitions to get on the ballot and more hurdles to get campaign funding.

A little more than half of Yavapai County residents are registered to vote, fairly evenly divided between the two main parties and independents. The deadline for registering to vote is Oct. 6 - and the county elections department begins mailing out early ballots on Oct. 10.

"Elections belong to the people. It's their decision. If they decide to turn their backs on the fire and burn their behinds, then they will just have to sit on their blisters." - Abraham Lincoln

In 2012, a presidential election year, of the 124,156 registered Yavapai County voters, 101,268 actually voted, or 81.57 percent - a fairly respectable result. Approximately 220,000 people live in Yavapai County, an 8,000-square-mile area that's bigger than four states - Delaware, Connecticut, Washington D.C. and Rhode Island.

The easiest way to vote is by registering on the Permanent Early Voting List (PEVL). The PEVL allows voters to receive their ballots in the mail and vote at their convenience by mailing in or dropping off ballots at one of several locations. A voter can sign up for the PEVL by filling out a postcard. When registering, check off a PEVL box on the form. For more information, go to www.yavapai.us/electionsvr.

Even so, some people like to vote in person. Others wait until the last minute to register and have to vote on a provisional basis - and yes, those votes are counted, too. I've been a volunteer with the elections department since 2010, which has been an honor and a privilege, since every effort seems to be made to ensure the election process is fair and professionally run.

Recently, I spent a few hours registering people to vote at the Prescott Library for the National Voter Registration Day. Most who filled out forms changed from a party to Independent status. Though I don't ask, they usually tell me why - they're disaffected with their party and think all parties are corrupt.

Just as I disagree with people who say all broadcast news stations are biased, I disagree with that
statement. While Fox News uses Republican Party talking points daily, most news stations actually are balanced. Some candidates are corrupt or ethically challenged, of course, but the majority of officials try to improve their state or communities.

However, when one party controls the political scene completely, there are few checks and balances. In Illinois where the Democratic Party has been dominant for several decades, a series of corruption scandals have erupted. Republicans in this state, also, are led into illegal or at least unethical territory frequently because too few people from other parties are represented as a counterweight.

"One of the penalties for refusing to participate in politics is that you end up being governed by your inferiors." - Plato

So when someone tells me they don't plan to vote because, "it won't matter anyway," like the gas station attendant who noticed my bumper stickers, I say, "wrong, wrong, wrong." As a matter of fact, lots of Arizona elections have been won by razor-thin margins. For instance, in 2012 one Congressional primary in this district and one Camp Verde school district race were won by only 19 votes. NINETEEN VOTES. In the 2012 Congressional race between Ron Barber and Martha McSally, Barber topped his opponent by only 1,402 votes - statistically a 50/50 split with results of 143,173 to 141,771.

The potential for independents to wield political power has state Republicans worried. In August, 16.2 percent of Republican primary votes were cast by independents. However if the majority party tries to remove independent access to primaries via legislation, expect a backlash like the one against the voter suppression bill HB 2305, which was quietly repealed after a referendum was heading toward the ballot.

Vote!

Remind your neighbor to return his Ballot.

Give someone a ride to the polls.

Women worked hard to get the vote; honor their sacrifices by informing yourself of the issues, then voting!
Please renew your membership, if you have not already done so!

LWV MEMBERSHIP REGISTRATION 2014-2015

Membership in the LWV is open to any person 18 and over who subscribes to the purposes and policies of the LWVUS. Dues for 2013-2014 cover payment for local ($16.00), state ($13), and national ($31.00) memberships.

Name: ____________________________________________
Address: __________________________________________
City/Zip: __________________________________________
Phone: __________________ Fax: ____________________
Email: ____________________________________________

Note type of membership, and make check to “LWVCYC”:

______ $60/Yr Individual Membership
______ $90/Yr Household Membership

Plus suggested donation:
$________ Contribution to League (not tax deductible)

$______*Contribution to Education Fund (tax deductible)

*Donations to the LWVAZ Education Fund must be made by separate check, to preserve tax deductibility. This supports our Webpage and Voter Service activities. Thank you!

Both new and renewal members, please include this form with your check.

New: ________ Renewal: ________

OR

Be a “Friend” of LWVCYC:

______ $50/Yr Individual or _______ $75/Yr Household
(open to businesses and individuals)

Please mail this form and all checks to:

LWVCYC
PO Box 11538  Prescott, AZ 86304-1538

Reminder – Members are always welcome to attend Board meetings.
To request placement of an item on the Board agenda and/or to receive the Board agenda packet, contact the LWVCYC President a week in advance.

IMPORTANT WEBSITE REFERENCES

LWVUS Website
www.lwv.org
LWVAZ Website
www.lwvaz.org
LWVCYC Website
LWVCYC.org

We recommend that you check these out monthly, or more often. Lots of good information! Bookmark them to save on typing, or go to lwvaz.org, where there are links to click on. Or Google LWVCYC!

Our website includes current and past VOTERS, and other great material. You can also find us on Facebook and Twitter.

Please renew your membership, if you have not already done so!
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<td>Tues.</td>
<td>Oct 28</td>
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<td>Nov. 1</td>
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<td>Affordable Health Care Act – What’s been the impact of ACA in Yavapai County?</td>
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<td>12 noon</td>
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<td>The Core Curriculum: The Good, The Bad, or the Ugly</td>
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<td>Water – Is there enough in the Yavapai Highland? What can we do about it? What is being done?</td>
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