

Healthy Farmer

September 2010

A publication by AgriWellness, Inc.

Health Care Reform & Rural Residents

In March 2010, President Obama signed the Patient Protection and Affordable Care Act (PPACA) into law. This law contains many provisions that are likely to have a significant effect for rural residents and communities. Several of the PPACA reforms became effective on September 23, 2010.

Jon Bailey, Director of the Rural Research and Analysis Program at the Center for Rural Affairs, recently published a report, "Health Care Reform, What's in it? Rural Individuals and Families," which outlines some of the immediate reforms and their potential impact for rural areas of this country.

Bans Denials Due to Pre-existing Conditions

One of the reform components which Bailey discusses is the ban on insurance denials due to pre-existing conditions. Beginning on September 23, 2010 insurance companies are prohibited from denying coverage to children under the age of 19 under their parents' health insurance because of a pre-existing condition. This part of the reform will become effective for adults in 2014.

Bailey explains that rural residents are generally older, more likely to have a chronic condition and to have a lower income when compared to urban residents. This means that more rural residents are likely to have a pre-existing condition while also less likely to have health insurance coverage through an employer.

Bailey states that this reform component will likely have a particular impact on rural communities because many residents are self-employed and will no longer have to worry about not having health insurance coverage because of a pre-existing condition.

Ends Lifetime Health Insurance Benefit Caps

Bailey details another important provision in the health care law which also took effect on September 23, a provision that prohibits health care insurers from establishing what is known as "lifetime caps" or unreasonable annual caps. These caps or limits on benefits have been typically included in health care plans and, when the limit is reached by an individual or family, they then become uninsured. Bailey notes that, since rural residents have higher rates of many chronic diseases, this provision will likely be especially beneficial to rural residents.

Provides Health Insurance for Children through Age 26

Bailey's report elucidates another health care law provision that took effect on September 23, a provision that requires that health insurers that already provide for dependent coverage of children make that coverage available for the adult child until he or she reaches the age of 26.

Bailey notes that, even though young adults tend to be healthier compared to the older age groups, they are entering a work environment that is less likely to offer health insurance coverage. This new provision will mean that young adults and their parents will not have to worry about health insurance during this significant time of transition.

Bailey continues by saying that this provision is likely to have a positive impact on rural young adults because there are fewer health insurance options in rural areas.

Free Preventive Care

Finally, Bailey explains another provision that he believes could have a potentially significant positive impact for rural people. Beginning on September 23, health insurers are not allowed to charge for many preventative care visits. This provision does not apply to "grandfathered" plans, or health plans that existed on March 23, 2010.

The list of items that must be offered for no cost includes blood pressure and diabetes tests, many cancer screenings, counseling from the health care provider on a variety of topics, vaccines and well-baby and well-child visits until age 21.

Bailey notes that rural residents are more likely to report fair to poor health status while coupled with being less likely to seek preventative care. He sees tremendous potential for positive impact on the health of rural residents because of this provision for free preventative care.

The full report is available here. It is a good summary of the new health care reform's impact on rural areas and residents.

<http://files.cfra.org/pdf/Rural-Individuals-Families.pdf>

New AgriWellness Board Executive Committee

The AgriWellness Board recently elected a slate of officers for the 2011 fiscal year.

President: Susan Helgeland, North Dakota
Vice President: Marcie Moran, South Dakota
Treasurer: Ron Swanson, Iowa
Secretary: Margaret Van Ginkel, Iowa
Member at-large: Linda Hessman, Kansas

We look forward to continuing the work of AgriWellness with these officers and thank the past officers for their dedicated service.