



ADVERTISEMENT

146,000 Michiganders - at least - face loss of cheap policies under new health care reform rules

7:28 AM, October 13, 2013 | 265 Comments

Like Recommend

You and 2,850 others recommend this.2,850 people

apartments.com

Like Recommend

Tweet 121

+1 3

Pint it

✉️ 🖨️ 📄 ⌵ A A ⬆️



Purchase Image

. The Mulder family faces a rate increase for their health insurance under the Affordable Care Act because the policy they had, which doesn't carry all the coverage required under ACA, is being canceled. / Brian Kaufman/Detroit Free Press



By **Robin Erb**
Free Press Medical
Writer

FILED UNDER

Local News
Michigan News
Wayne State University

At least 146,000 Michiganders — and possibly thousands more — with health coverage purchased directly from insurers now are learning their policies will end Dec. 31 because they don't meet the minimum requirements of the federal health care act.

Under the law, each policy must cover essential benefits in 10 categories. Instead of beefing up these policies, insurers are opting to drop them, advising consumers to consider other policies that are now available either from the insurers directly or though the

ADVERTISEMENT

Most Popular Most Commented More Headlines

1

Jeff Seidel: Why in the world did Tigers pitch to Ortiz?

2

Dan Gilbert knocks '60 Minutes' piece on Detroit as 'ruin porn' news

3

Detroit Lions juice up fan fun at Ford Field as high-def TVs threaten ticket sales

4

Mark Snyder: Michigan has more woes than its schedule

5

Tigers' Max Scherzer, on getting pulled after seven innings: 'I told them I was done'

Most Viewed

Michigan Health Insurance Marketplace, also known as the state exchange.

The policies that are ending were often less expensive on the individual market because they provided limited benefits and were sold to healthier consumers.

Complete coverage: freep.com/affordablehealthcare

Related Links

- Your health care reform questions answered: Deductibles reset at zero after a year of coverage
- Your health care reform questions answered: Deductibles reset at zero after a year of coverage
- Michelle Singletary: As needs change, people can buy health insurance under Affordable Care Act
- Koch Industries claims no role in efforts to kill health care law
- 6 tips for choosing a quality health care specialist
- Consumer Watchdog: Take an active role in choosing a new doctor
- Health reform questions: Couldn't get on exchange the first day? Don't worry
- Already insured? Health law could help you, too
- GOP states offer little help on buying health insurance
- Health exchanges prove popular, not perfect
- States with the worst health coverage
- Michigan to release cost of health insurance plans
- Need health insurance? Affordable Care Act costs, policies released
- Michiganders frustrated as new Internet health-insurance marketplace crashes, jams
- Dearborn nonprofit to kick off role as health care 'navigator'
- Some highlights of plans offered by the 13 insurers on state exchange



LifeLock® Official Site
Protect your Identity with LifeLock Ultimate™ Today.
LifeLock.com



Capella University
Earn the MBA that will give you the skills to lead. Learn more.
learning.capella.edu

Mortgage Rates Hit 2.6%
\$150K mortgage \$643mo-No Hidden Fees, Points or Closing Costs! 2.9%APR
lendgo.com/mortgage

And that was fine with consumers such as Josh Mulder.

Mulder had landed a plan several years ago that cost his Wixom family offour just \$291 a month. That policy will end Dec. 31, according to a letter from his insurer.

The policy didn't cover things such as maternity care or prescription drugs, but, Mulder said, his family is generally healthy and he was willing to take the risk.

"I had a great rate," he said.

Rates that meet the required benefits under health reform average \$762.06 a month on the Michigan Health Insurance Marketplace for his family of four, according to a cost estimator by the Michigan Department of Insurance and Financial Services.

[Blue Cross Blue Shield of Michigan](#) has notified about 140,000 policyholders on the individual market that their plans will end Dec. 31. Health Alliance Plan and its subsidiaries are dropping 6,000 plans.

Both are major players on the state exchange, where 13 insurers, including a HAP subsidiary and another Blues insurer, Blue Care Network, are offering 142 plans.

That [Blue Cross](#) and HAP are ending current policies on the individual market isn't surprising, said Robert Krughoff, founder and president of the Washington-based nonprofit Consumer Checkbook.

The increased costs to provide essential benefits was just one part of the cost equation. Under the health care reform law, insurers also can't deny anyone insurance,



Soldier laid to rest 62 years after death
Oct. 06, 2013

PHOTO GALLERIES



Mike Thompson: Obama vs. Republic...



Crumbling dams could unleash disasters

SPONSORED LINKS

by Taboola



Buffett: Scrap Obamacare and Sta...
Money Morning



Pastor Mocked for His 'Biblical Money Cod...
Moneynews

ADVERTISEMENT

michigan.com **Now Hiring**

FEATURED JOBS THIS WEEK

Staff Accountant
Midwest Health Plan
Detroit , MI

POLICE OFFICER
City of Warren
Warren, MI

Clinical Therapist
Juvenile Assessment Center
Detroit, MI

ROBOT PROGRAMMERS
Utica Enterprises, Inc.
Detroit , MI

PREVIOUS

NEXT

IN PARTNERSHIP WITH:
careerbuilder.com

Recruiters, showcase your positions here.

ADVERTISEMENT

even if they're very sick. Neither can insurers cut cap coverage at a lifetime limit.

"These plans had to be reconfigured," Krughoff said.

Customers will pay more, but they also will get more coverage now, noted Gail Jensen Summers, an economics professor at Wayne State [University](#), who specializes in health insurance policy and costs.

The insurers may expect their customers to seek them out on the marketplace, where federal tax credits for some consumers can help shrink the costs of the monthly premiums, according to Checkbook's Krughoff.

In the first 10 days of business, the exchange logged 14.6 million unique visits, according to the U.S. Department of Health and Human Services.

Anyone whose income is up to 400% of the federal poverty limit — up to \$45,960 for an individual and \$94,200 for a family of four — is eligible for tax credits.

Health insurance reform supporters have said this puts insurance within reach for an estimated 1.4 million Michiganders who are underinsured or uninsured.

Blue Cross, in fact, is competing aggressively on state marketplaces across the U.S., Krughoff said.

Another insurer on the Michigan exchange, Kentucky-based Humana, indicated that it, too, will end some policies, but it declined to offer specifics. Letters to members are being finalized, according to the insurer.

Grand Rapids-based Priority Health is taking a different tack. It's allowing its current and new members to lock in 2013 rates that extend through 2014 before they end those plans on Dec. 31, 2014. The plans won't include all the essential benefits required under the law, but the insurer will be able to extend them for one more year, said spokeswoman Amy Miller.

That extension is possible for some plans. Still, with the exception of catastrophic plans targeted for those younger than 30, all plans on the individual market must carry essential benefits Jan. 1, 2015, said Caleb Buhs, spokesman for the Michigan insurance department.

Consumers can still find plans on the exchange and off the exchange that do cover all the essential benefits. It might cost the insurer more to offer the extension at the same premium rates, but it gives members "more time to consider their options going into 2015," she said.

Gary Plasko of Walled Lake is looking at options like those.

An insurance broker, he knew big changes were coming under health care reform. He wasn't surprised when he was notified last week that his policy — one that costs the 63-year-old nonsmoker \$381 a month and covered about 70% of his medical costs with no deductible — was ending. And he had warned customers to expect similar notices.

Still, he was disappointed with what he found.

Like the Mulders, Plasko won't get tax credits to help him pay for the new policies.

He said he found a Blue Cross policy for less than \$550, but it covers about 60% of his medical costs. Plus, he now faces a \$6,350 deductible.

The law? For him, he said, "it's the un-Affordable Care Act."

Contact Robin Erb: rerb@freepress.com or 313-222-2708. Follow her on Twitter <https://twitter.com/FreepHealth>.

View Comments (265) | Share your thoughts »

TOP VIDEO PICKS

selected by Taboola



Prince Harry ready to propose? | USA NOW v...
Oct 9, 2013



President Jimmy Carter: Housing is basic
Oct 10, 2013



Watch parachutes collide and unwind
Oct 4, 2013

YOU MIGHT BE INTERESTED IN

[Chronic Jeep Cherokee delays worry dealers](#)

[Risqué photos of Miley Cyrus hit Web](#)

[Michael Douglas admits he lied about his cancer](#)

[Police: Man stuffed Snickers bar into ex-girlfriend's...](#)

[Alzheimer's test: Can you smell peanut butter?](#)

[Is It the End of Stainless Steel?](#)
(Oven Info)

SPONSORED LINKS

[The Golf Club That Hosted Caddyshack's Raucous...](#) (The A.V. Club)

[Obamacare Portal Suffers From Common E-health...](#) (CIO)

[7 Common Signs That You May Have an Enlarged Prostate](#) (eMedTv)

[Time to take ex's Social Security benefits](#) (Bankrate.com)

[MLB Trade Rumors: Top 15 Players on the Trading Block](#) (Rant Sports)

[4 Surgeries to Avoid](#) (AARP.org)

[?]

SPONSORED LINKS

by Taboola



[Girlfight: The UFC's Million-Dollar Female](#)
Bloomberg



[Healthcare Bill & Ted's Excellent Adventure](#)
Yahoo! Screen



[Billionaire Tells Americans to](#)
Moneynews

NIGHTLIFE

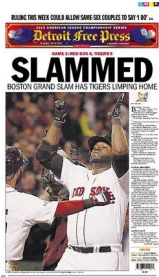


Bleu's 12th Anniversary

MOST POPULAR

- 1. Jeff Seidel: Why in the world did Tigers pitch to Ortiz?
- 2. Dan Gilbert knocks '60 Minutes' piece on Detroit as 'ruin porn' news
- 3. Detroit Lions juice up fan fun at Ford Field as high-def TVs threaten ticket sales
- 4. Mark Snyder: Michigan has more woes than its schedule
- 5. Tigers' Max Scherzer, on getting pulled after seven innings: 'I told them I was done'
- 6. Detroit Lions report card: Dave Birkett grades the win over Cleveland
- 7. Drew Sharp: Lions' undrafted tight end Joseph

SUBSCRIBE!



Sign up for home delivery today.

MICHIGAN NEWS

Detroit council could vote today on lease of Belle Isle
Snyder adviser explored legislation to help low-income Detroit pensioners, he testified
MSU President Lou Anna Simon to get honorary degree — from U-M
Paw Paw woman dies after trying to take car airborne off bridge
Dozens of Michigan same-sex couples hope for federal judge to give go-ahead for marriage



ADVERTISEMENT



Site Map | Back to Top ^

NEWS

- Politics
- Detroit
- Wayne County
- Oakland County
- Macomb County
- Metro Detroit
- Michigan
- Nation/World
- Rochelle Riley
- Eric Millikin
- Weather

LIFE

- Food
- Travel
- Health
- Shopping
- Crossword puzzle
- Comics
- Technology
- Relationships
- Books
- Georgea Kovanis
- Ellen Creager
- Susan M. Selasky

SPORTS

- Lions
- Tigers
- Red Wings
- Pistons
- Wolverines
- Spartans
- High School Sports
- Mitch Albom
- Drew Sharp
- Jeff Seidel
- Outdoors
- Auto Racing
- Golf
- Free Press marathon

OBITS

- Death Notices
- Submit a Death Notice

MICHIGAN BUSINESS

- Auto news
- Auto reviews
- General Motors
- Ford
- Chrysler
- Detroit auto show
- Real estate
- Michigan House Envy
- Tom Walsh
- Susan Tompor
- Mark Phelan
- Nation/world business

BETTER MICHIGAN

- Editorials
- Letters to the editor
- Commentary
- Mike Thompson cartoons
- Stephen Henderson
- Brian Dickerson
- Columnists

ENTERTAINMENT

- Music
- Restaurants
- Movies
- Arts
- TV and radio
- Names & Faces
- Sylvia Rector
- Julie Hinds
- Mark Stryker
- Ese Esan
- Rachel May

HELP

- Advertise
- Archives
- Contact us
- Subscriber services
- e-Edition
- Got a question?
- Detroit Newspapers in Education
- Bookstore
- Reading Works
- Free Press Charities
- Page and photo reprints

FOLLOW US

- Twitter
- Facebook
- Mobile
- RSS
- E-mail Alerts

News | Jobs | Cars for Sale | Homes for Sale | Apartments for Rent | Shopping | Classifieds | E-Circulars | Daily Deals



GANNETT

Copyright © 2013 www.freep.com. All rights reserved.
Users of this site agree to the [Terms of Service](#), [Privacy Notice/Your California Privacy Rights](#), and [Ad Choices](#)