

Health Care Reform: New Women's Wellness Coverage

(cont.)...Conservatives criticized the plan, saying the White House may be engaged in an expensive boondoggle in its attempts to appeal to women voters, while businesses worried that added costs could raise insurance premiums and harm small businesses.

Health and Human Services Secretary Kathleen Sebelius called the new guidelines a cost-effective means of preventing expensive health problems.

The plan was developed by the nonpartisan Institute of Medicine, which advises the federal government.

The federal health care plan will cover all FDA-approved contraceptive methods, treatment of sexually transmitted infections, cervical cancer screening, breast feeding support, diabetes tests during pregnancy, annual "well woman" visits and counseling for domestic violence.

Religious institutions that offer insurance to their employees will be able to choose whether to cover the contraception services.

Anticipating higher costs

America's Health Insurance Plans, which represents the nation's health insurers, said the new mandates would increase unnecessary physician office visits and raise the cost of coverage. The changes would encourage consumers to get prescriptions for supplies they can buy over the counter, said Karen Ignani, the group's president.

California is one of 28 states that require health insurers that cover prescription medications to cover all FDA-approved contraceptive drugs and devices, but insurers generally charge co-payments.

"While many of the newly mandated services are already covered in California, limits to cost sharing could drive up the price of premiums at a time when many are struggling to afford coverage," said Nicole Kasabian Evans, spokeswoman for the California Association of Health Plans.

Obama administration officials, in a conference call with reporters Monday, described the impact on premiums and health costs as "very small" because most employer plans cover such services. The officials did not provide any estimates.

Disagreement on savings

It is not clear whether covering preventive health services will save money or cost money, experts said.

"In general, preventive services are cost effective - meaning they're a good use of resources - but they're not necessarily a cost savings," said Brent Fulton, research economist at UC Berkeley's Nicholas C. Petris Center on Health Care Markets and Consumer Welfare.

Fulton said providing no-cost preventive services could increase demand and lead to expensive tests and treatments. On the other hand, he said, it's hard to put a price on saving a life or catching a health problem in the early stages.