

## Health Care Reform At-a-Glance

### *Impact of Affordable Care Act (ACA) provisions by line of business*

The following charts provide a summary of provisions within the Affordable Care Act (ACA) and their impact on the different funding types and lines of business. This is subject to change as we receive additional guidance and information and should only be used for reference purposes.

<b>2010 Provisions</b>			
<i>Unless otherwise noted, these provisions went into effect for plan years on or after 09/23/2010</i>			
	<b>Small Group</b>	<b>Large Group</b>	<b>Self-funded</b>
Dependent coverage for adult children to age 26	Y	Y	Y
No lifetime or annual dollar limits on essential health benefits	Y	Y	Y
No lifetime dollar limits on coverage	Y	Y	Y
100% coverage for in-network preventive care <sup>1</sup>	Y	Y	Y
No annual dollar limits on certain types of benefits (restricted annual limits until 2014)	Y	Y	Y
No pre-authorization for emergency services <sup>1</sup> (patient protection)	Y	Y	Y
No higher cost share for out-of-network emergency services <sup>1</sup> (patient protection)	Y	Y	Y
No pre-existing condition exclusions for children	Y	Y	Y
No pre-tax reimbursements from health spending or flexible spending accounts (HSA/FSA for non-prescribed over-the-counter medications)	Y	Y	Y
Lactation breaks for women with a need to express breast milk during working hours	Y	Y	Y
Small Business Tax Credits up to 35% (less than 25 employees)	Y	N	Y

<sup>1</sup>The law does not require grandfathered plans to comply with this provision. However, in some cases insurance providers have decided to extend these provisions regardless of grandfathered status.

<b>2011 Provisions</b>			
<i>Unless otherwise noted, the provisions went into effect for plan years on or after 01/01/2011</i>			
	<b>Small Group</b>	<b>Large Group</b>	<b>Self-funded</b>
20% tax for non-qualified HSA withdrawals	Y	Y	Y
MLR requirements (Medical Loss Ratio)	Y (80%)	Y (85%)	NA

<b>2012 Provisions</b>			
<i>Unless otherwise noted, the provisions went into effect for plan years on or after 09/23/2012</i>			
	<b>Small Group</b>	<b>Large Group</b>	<b>Self-funded</b>
Reporting value of employer-sponsored coverage on W-2	Transitional relief	Y	Y
Summary of Benefits & Coverage (SBC)	Y	Y	Y
60-day notice of material modification	Y	Y	Y
Women's Preventive Care	Y*	Y*	Y*

\*Effective for new or renewing plans on or after 08/01/2012. Additionally, religious exemption or one-year enforcement safe harbor available for groups that meet certain specific criteria outlined in the regulation.

<b>2013 Provisions</b>			
<i>Unless otherwise noted, exact dates of implementation are to be determined</i>			
	<b>Small Group</b>	<b>Large Group</b>	<b>Self-funded</b>
Reporting value of employer sponsored coverage on W-2	Transitional relief*	Y	Y
Employee notification of exchanges, including subsidies and tax credits	Y	Y	Y
Flexible spending account contributions limited to \$2,500/year (effective 01/01/2013)	Y	Y	Y

\* Awaiting guidance as to when transitional relief will expire.

<b>2014 Provisions</b>			
<i>Unless otherwise noted, exact dates of implementation are to be determined</i>			
<i>Please see chart "2014 Impacts" for specific on/off exchange plan impacts</i>			
	<b>Small Group</b>	<b>Large Group</b>	<b>Self-funded</b>
Insurer fee (or Health Insurance Tax)	Y <i>(health plan pays on employer's behalf)</i>	Y <i>(health plan pays on employer's behalf)</i>	NA
Transitional reinsurance fee	Y <i>(health plan pays on employer's behalf)</i>	Y <i>(health plan pays on employer's behalf)</i>	Y <i>(employer encouraged to calculate amount and pay fee directly<sup>3</sup>)</i>
No pre-existing condition exclusions regardless of age	Y	Y	Y
Coverage waiting period not to exceed 90 days	Y	Y	Y
Employers with 50+ employees required to offer coverage with minimum value (MV)	Y <i>(dependent on number of employees)</i>	Y	Y <i>(dependent on number of employees)</i>
Auto-enrollment required by employers with 200 + employees	NA	Y <i>(dependant on number of employees)</i>	Y <i>(dependant on number of employees)</i>
HIPPA nondiscrimination rules on wellness programs	Y	Y	Y
Wellness program maximum incentive increase to 30% <sup>2</sup>	Y <sup>3</sup>	Y	Y

<sup>2</sup>Up to 50 percent for programs designed to prevent or reduce tobacco use.

<sup>3</sup>The law does not require grandfathered plans to comply with this provision. However, in some cases insurance providers have decided to extend these provisions regardless of grandfathered status.

<b>2014 Provisions (cont.)</b>			
<i>Unless otherwise noted, exact dates of implementation are to be determined</i>			
<i>Please see chart "2014 Impacts" for specific on/off exchange plan impacts</i>			
	<b>Small Group</b>	<b>Large Group</b>	<b>Self-funded</b>
Guaranteed issue – health plans	Y	Y	Y
Rating limitations	Y	NA	NA
Small business tax credits up to 50% (less than 25 employees)	Y	N	Y

<b>2018 Provisions</b>			
Unless otherwise noted, exact dates of implementation are to be determined			
	<b>Small Group</b>	<b>Large Group</b>	<b>Self-funded</b>
40% excise tax on high-cost "Cadillac" plans	Y	Y	Y

<b>2014 Impacts</b>				
	<b>Small Group Fully-Insured Market</b>		<b>Large Group Fully-Insured Market (until 2017)</b>	<b>Self-Insured Market</b>
	On Exchange	Off Exchange	Off Exchange	Off Exchange
Coverage for essential health benefits (EHBs)	Must cover	Must cover	Coverage not required	Coverage not required
Lifetime / Annual limits	No limits on EHBs Other limits ok	No limits on EHBs Other limits ok	No limits on EHBs Other limits ok	No limits on EHBs Other limits ok
Deductible limits	Applies	Applies	NA	NA
Out-of-pocket maximum limitations	Applies	Applies in NGF	Applies in NGF	Applies in NGF
Metal levels (actuarial value or AV)	Must meet 1 of 4 AV levels	Must meet 1 of 4 AV levels for NGF	N/A <i>(risk penalty if plan is not 60% MV)</i>	N/A <i>(risk penalty if plan is not 60% MV)</i>
Rating rules	Standardized rating	Standardized rating for NGF	NA	NA
No pre-existing condition exclusions	Applies	Applies	Applies	Applies
90-day waiting period limitation	Applies	Applies	Applies	Applies
HIPPA nondiscrimination on wellness programs	Applies	Applies	Applies to NGF	Applies to NGF

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