

Health Care Reform: What Will It Mean for Your Health Plan?

3/26/2010

[Norbert F. Kugele](#)

After months of seemingly endless debate, Congress has passed health care reform. The Patient Protection and Affordable Care Act was signed into law on Tuesday and yesterday, both the House and Senate approved a companion reconciliation bill that President Obama is expected to sign soon.

Change Is On the Way

Some provisions of this law will go into effect for plan years that begin later this year. This includes prohibitions on lifetime limits, restrictive annual limits and cost sharing for certain preventive and wellness benefits. If your plan provides dependent coverage, you will need to offer coverage to adult children up to age 26 who do not have coverage under their employer's health plan. The plan also makes available tax credits for qualifying small employers with fewer than 25 employees.

More changes go into effect in coming years. Notably, the law will require each state to establish by 2014 a health insurance exchange through which individuals, families and small businesses with 100 or fewer employees can purchase health insurance. Also beginning in 2014, employers with 50 or more full-time equivalent employees will likely pay penalties if they do not provide affordable health insurance benefits. Beginning in 2018, employers with so-called "Cadillac health plans" will pay a 40% excise tax on health coverage that exceeds certain value thresholds.

Health Care Webinar

If you'd like to learn more about these new requirements and how they may change your health plan, please participate in our [Health Care Reform Webinar](#) on April 21. We will explain the new provisions and the steps you will need to take to comply.

If you have questions regarding health care reform, please contact Norbert Kugele (616.752.2186 or nkugele@wnj.com) or your WNJ employee benefits attorney.

on April 21. We will explain the new provisions and the steps you will need to take to comply.