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TIMELINE OF HEALTH INSURANCE REFORM

Reform	Effective Date
Tax credit for small employers and nonprofits offering health insurance	1/1/10
High-risk pool coverage for people who cannot obtain current individual coverage due to preexisting conditions	3/23/10
Internet portal for health coverage information	3/23/10
Extension of tax dependent status of children for health plan coverage to the end of the calendar year in which the child turns 26	3/30/10
Temporary reinsurance program for employer health plans providing coverage for non-Medicare eligible retirees aged 55-64 for 80% of claims between \$15,000 and \$90,000	No later than 6/21/10 Program opens 6/1/10, first come first served
10% excise tax on tanning salon services	7/1/10
Automatic enrollment for large employer plans (more than 200 F/T employees) . Employers must provide notice of auto enrollment and opportunity to opt out.	Upon issuance of regulations
Increase the age of a dependent child for health plan coverage to 26	First Plan Year beginning on or after 9/23/10 (1/1/11 for calendar year plans) Grandfathered Plans: before Plan Year beginning on and after 1/1/14, only have to enroll older child if they are not eligible to enroll in their own employer's plan
No lifetime limits on dollar value of health plan coverage	First Plan Year beginning on or after 9/23/10 (1/1/11 for calendar year plans)
Coverage of preventative services by non-grandfathered plans	First Plan Year beginning on or after 9/23/10 (1/1/11 for calendar year plans)
No prior authorizations and same cost sharing in and out of network for non-grandfathered plans	First Plan Year beginning on or after 9/23/10 (1/1/11 for calendar year plans)
Participants may choose any primary care provider, may designate a pediatrician as primary care provider of child and no referral needed for OB/GYN for non-grandfathered plans	First Plan Year beginning on or after 9/23/10 (1/1/11 for calendar year plans)
Nondiscrimination rules of 105(h) apply to fully-insured non-grandfathered plans	First Plan Year beginning on or after 9/23/10 (1/1/11 for calendar year plans)
External claims review process for non-grandfathered plans	First Plan Year beginning on or after 9/23/10 (1/1/11 for calendar year plans)
Elimination of all pre-existing condition limitations or exclusions for all children under 19	First Plan Year beginning on or after 9/23/10 (1/1/11 for calendar year plans)
No rescission of coverage unless fraud or intentional	First Plan Year beginning on or after

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misrepresentation of material fact. Advance notice of rescission required.	9/23/10 (1/1/11 for calendar year plans)
Prohibition of certain annual limits	First Plan Year beginning on or after 9/23/10 (1/1/11 for calendar year plans)
Minimum medical loss ratios limited to 85% for large plans and 80% for plans with less than 100 employees or rebates required	Plan Years beginning on or after 3/23/10, but rebates begin 1/1/11
Increase in tax on distributions from a Health Savings Account if not used for qualified medical expenses to 20% (from 10%).	1/1/11
Prohibition of over-the-counter drugs as an eligible expense in HSAs, HRAs and FSAs unless prescribed or insulin	1/1/11
Grants awarded to small employers (less than 100 employees who work 25+ hours/week) to provide access to wellness initiatives if no wellness program in place on 3/23/10.	1/1/11
W2 inclusion of cost of employer-sponsored health coverage	Originally: 2011 Forms W2, due 1/31/12 Extended: 2012 Forms W2, due 1/31/13
New standardized benefits summary/explanation of coverage. 60-day advance notice of any material change.	No later than 3/23/12
Group plans must report annually to HHS and plan participants about plan benefits designed to improve the quality of care	Regulations to be issued no later than 3/23/12
Self-funded health plans must pay comparative effectiveness fee of \$1 in 2013 (then increased to \$2) per participant. Insurance carriers pay fee for fully-insured policies/plans. Scheduled to end 2020.	Plan Years/Policy Years ending after 9/30/12
Elimination of employer deduction for subsidy under Medicare Part D (immediate impact on employers' liability and income statements)	ER Tax Years beginning after 12/31/12
Health FSA max election of ee salary deferrals limited to \$2,500	1/1/13
Additional .9% Medicare tax on wages and self-employment income for individuals earning more than \$200,000 (\$250,000 MFJ). New 3.8% Medicare tax on the lesser of 1) net investment income or 2) the portion of MAGI exceeding \$200,000 (\$250,000 MFJ)	1/1/13
Threshold for the itemized deduction for unreimbursed medical expenses increased from 7.5% of AGI to 10% of AGI for regular tax purposes (waived for individuals age 65 and older for tax years 2013 through 2016)	1/1/13
Employer notice of availability of Exchanges and if employer contribution is <60% of cost, availability of premium assistance and fact that employee will lose employer contribution to coverage in Exchange	3/1/13
National health insurance Exchanges begin, to be administered by a new federal Agency, the "Health Choices Administration." The categories of people and businesses qualified to purchase coverage	2014-2016

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through the Exchange would be phased in over three years' time to up to 100 employees and the commissioner has the authority to expand the exchange to larger groups	
Health Insurance Premium Assistance Credit and/or cost sharing reduction for households with income 100-400% of poverty line	1/1/14
Individuals must have minimum essential health insurance coverage for themselves and their dependents	1/1/14
Employer reporting to IRS whether health coverage offered to F/T employees	1/1/14
Employers must give free choice vouchers for the Exchange to their lower-income employees whose contributions to employer coverage exceed 8% but not more than 9.8% of household income, whose household income is less than 400% of poverty level and who does not participate in employer plan	1/1/14
Standards for qualified coverage, including mandated benefits, cost-sharing requirements, out-of-pocket limits and a minimum actuarial value	1/1/14
Employers must offer coverage or, if they employ at least 50 full-time equivalent (based on 120 hours/month or 30 hours/week) employees, they must pay a fine. Coverage must meet the essential benefits requirements and minimum employer contribution to be compliant	1/1/14
No waiting periods longer than 90 days	1/1/14
No annual limits on benefits allowed	Plan Years beginning on and after 1/1/14
Elimination of all pre-existing condition limitations or exclusions on all participants	Plan Years beginning on and after 1/1/14
Wellness incentives increased from 20% to 30% of the cost of employee-only coverage	1/1/14
Cadillac plan tax: 40% on coverage in excess of \$10,200 for single coverage or \$27,500 for family coverage. Paid by employer if self-insured and by carrier if fully-insured.	1/1/18