



Health Care Reform

Timeline for Calendar-Year Group Health Plans*

revised: June 1, 2011

KEY HEALTH CARE REFORMS

2010

Provisions Directly Affecting Existing Group Health Plans	Medicare Reforms	Other Health Reforms
<ul style="list-style-type: none"> • Early retiree reinsurance program (deadline to apply: May 5, 2011) • Tax-free coverage for children through end of year child turns 26 • Small business tax credits 	<ul style="list-style-type: none"> • \$250 reimbursement in Part D coverage gap ("doughnut hole") 	<ul style="list-style-type: none"> • Temporary high-risk pool • DOL to require Multiple Employer Welfare Arrangements (MEWAs) to register with DOL

2011

<ul style="list-style-type: none"> • No lifetime dollar limits on essential benefits • Only permitted annual dollar limits • Extension of coverage for adult children until age 26 • No preexisting condition exclusion for individuals under 19 • Ban on rescinding coverage • Over-the-counter drugs and medications (except insulin) reimbursable only with prescription (applies January 1, 2011, regardless of plan year) • Provide Medicare Part D Notices of Creditable/Non-Creditable Coverage by October 15 (moved up from November 15) 	<ul style="list-style-type: none"> • Additional Prescription Drug Plan (PDP)/Medicare Advantage plan with prescription drug coverage (MA-PD) discounts for brand and generic • PDP/MA-PD may waive copayments for first fills of generic • Medicare Advantage payments frozen at 2010 levels • Medicare Part D premiums increased for high-income beneficiaries • New Medicare wellness benefits 	<ul style="list-style-type: none"> • Higher penalty for Health Savings Account withdrawals for non-qualified expenses • Medical loss ratio requirements for insurers (85% for large groups) • CLASS program authorized (voluntary, public long-term care program) • Annual fee on pharmaceutical manufacturers and importers
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2012

<ul style="list-style-type: none"> • Standardized information disclosure (with notice of modifications 60 days in advance) • Comparative effectiveness research fee paid by insurers and self-insured plans, beginning plan year ending after September 30, 2012 (\$2 per covered life; \$1 in first year) 	<ul style="list-style-type: none"> • Medicare Advantage payments decreased 	
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2013

<ul style="list-style-type: none"> • Flexible Spending Arrangement (FSA) salary reduction contributions capped at \$2,500 (indexed) • Employer W-2 reporting on 2012 coverage (will not apply to employers contributing to multiemployer plans until further guidance) 	<ul style="list-style-type: none"> • Corporate health plans lose tax deduction for Part D Retiree Drug Subsidy reimbursements 	<ul style="list-style-type: none"> • Increases in Medicare Hospital Insurance tax for high-income individuals • Annual fee on medical device manufacturers and importers
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March 1

<ul style="list-style-type: none"> • Employer notice to employees about the Health Insurance Exchange 		
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December 31

<ul style="list-style-type: none"> • Plans to certify compliance with certain Health Insurance Portability and Accountability Act (HIPAA) Electronic Data Interchange (EDI) standards 		
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* Most of the law's provisions take effect at the start of a plan year. Plans that are not calendar-year plans would have different effective dates. For example, for a plan with a July 1 plan year, all but the last item listed in the left column for 2011 would take effect on July 1, 2011. Additional requirements apply to group health plans that lose their grandfathered status.



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KEY HEALTH CARE REFORMS

2014



- No waiting periods longer than 90 days
- No annual dollar limits on essential benefits
- No preexisting condition exclusion for any individuals
- Employer free-rider penalty**
- Wellness program rules
- Employers to report to IRS on plan features (and provide statements to employees by January 31, 2015)

2015

December 31



- Plans to certify compliance with other HIPAA EDI standards

2018



- Excise tax on high-cost health plans

Effective Date
to be set in
regulations



- Automatic enrollment by large employers (200 or more full-time employees)

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** The separate requirement that employers provide free-choice vouchers was eliminated by legislation enacted on April 15, 2011.