



PPACA and Employers and Employer Sponsored Health Plans

EFFECTIVE DATE/DEADLINE	ISSUE ¹	REQUIREMENTS
2010 - 2011		
January 1, 2010	Medicare Beneficiary Drug Rebate	<ul style="list-style-type: none"> Provides \$250 rebate to Medicare beneficiaries who reach Part D coverage gap in 2010
June 29, 2010	Reinsurance Program for Retiree Coverage	<ul style="list-style-type: none"> Creates temporary reinsurance program for employers providing health insurance coverage to retirees over age 55 who are not eligible for Medicare²
Plan or policy years after September 23, 2010	Adult Dependent Coverage to Age 26	<ul style="list-style-type: none"> Allows adult dependent children to remain on their parents' health plan until age 26 (note that a grandfathered plan may exclude adult children with other available coverage until January 1, 2014)
Plan or policy years after September 23, 2010	Individual Protections in Coverage	<ul style="list-style-type: none"> Prohibits lifetime dollar caps on coverage for essential health benefits Prohibits annual dollar limits on coverage for essential health benefits (but with special rules allowing for a phase-out of the annual dollar limits over 3 years) Prohibits rescission of coverage except in cases of fraud, misrepresentation of fact, or nonpayment

¹ Group health plans that were in existence on March 23, 2010, generally have grandfathered status as long as the plan does not make significant changes to its cost sharing structure and coverage provisions and the plan complies with participant notification and record retention requirements. Grandfathered health plans are subject to some, but not all, of the market reform provisions of PPACA. This chart under the "ISSUE" column indicates which provisions apply to non-grandfathered plans only (i.e. assume the market reform provisions described above apply to all group health plans, unless the column indicates non-grandfathered plans only).

² On December 14, 2011, CMS indicated that claims would no longer be accepted after December 31, 2011.



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		<ul style="list-style-type: none"> Prohibits denial of coverage for children under 19 based on preexisting condition
Plan or policy years after September 23, 2010	Coverage of Preventive Benefits for Non-Grandfathered Plans	<ul style="list-style-type: none"> Requires new health plans to provide, at a minimum, coverage for preventive health services (defined by U.S. Preventative Services Task Force), recommended immunizations, and preventive care for infants, children and adolescents
Plan or policy years after September 23, 2010	Appeal and Review Procedures for Non-Grandfathered Plans	<ul style="list-style-type: none"> Provides enhanced appeals procedures and external review requirements
Plan or policy years after September 23, 2010	Patient Protection Rights for Non-Grandfathered Plans	<ul style="list-style-type: none"> Requires compliance with right to designate primary care provider without referral, right to access emergency care without prior authorization, and limits on network restrictions (e.g., higher cost-sharing for out of network)
2011		
January 1, 2011	Medicare Prevention Benefits	<ul style="list-style-type: none"> Eliminates cost sharing for Medicare covered preventive services (defined by U.S. Preventative Services Task Force) and waives deductible for certain preventive screenings
January 1, 2011	Changes to Tax Free Savings Accounts	<ul style="list-style-type: none"> Prohibits reimbursement of costs of over the counter drugs through an HRA or health FSA and, on a tax free basis, through an HSA or Archer MSA Increases tax on distributions from an HSA or an Archer MSA that are not used for qualified medical expenses to a 20% excise tax
Beginning fiscal year 2011	Wellness Programs	<ul style="list-style-type: none"> Provides grants to small employers for up to 5 years to establish wellness programs
March 23, 2011	Funding for Health Insurance Exchanges	<ul style="list-style-type: none"> Provides grants to states to begin planning for establishment of Health Insurance



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		Exchanges
2012		
July 1, 2012	Claims & Appeal Processes for Non-Grandfathered Plans	<ul style="list-style-type: none"> • Requires review of claims review procedures to ensure compliance with current requirements <ul style="list-style-type: none"> - External review by an approved Independent Review Organization (IRO) - As of July 1, 2012, non-grandfathered plans must have a pool of at least three IROs
August 1, 2012	Medical Loss Ratio Rebate	<ul style="list-style-type: none"> • Requires insurers to calculate Medical Loss Ratio and rebate to policyholder (DOL Technical Release 2011-04 and IRS FAQs) • Requires employers to distribute portion of rebate to employees, if applicable
During open enrollment periods on or after September 23, 2012, and subsequently at various times set forth by regulation	Summary of Benefits and Coverage	<ul style="list-style-type: none"> • Requires supply of SBC explanation to participants in addition to SPD • Requires implementation of compliance procedures in advance of open enrollment deadline
Plan year after October 1, 2012	Patient-Centered Outcomes Research Institute (PCORI)	<ul style="list-style-type: none"> • Requires funding of Comprehensive Comparative Effectiveness Research • Imposes temporary fees
2012 Form W-2 issued by January 31, 2013	W-2 Reporting	<ul style="list-style-type: none"> • Requires inclusion of cost of employer sponsored health coverage • Requires development of procedures for tracking, calculating, and providing required



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		<p>information</p> <ul style="list-style-type: none"> Applies to employers that issued 250 or more W-2s for prior year
August 1, 2012	Women's Preventive Health Services for Non-Grandfathered Plans	<ul style="list-style-type: none"> Requires provision of recommended preventive health services without cost sharing
December 14, 2012	Health Insurance Exchanges	<ul style="list-style-type: none"> Deadline for States to submit application for state-based Exchange
2013		
January 1, 2013	Retiree Prescription Drug Expenses	<ul style="list-style-type: none"> No deduction by employers who receive Medicare Part D retiree drug subsidy
January 1, 2013	Medicare Tax Increase	<ul style="list-style-type: none"> Increases the Medicare Part A tax rate on wages
Plan years beginning on or after January 1, 2013	Flexible Spending Arrangements	<ul style="list-style-type: none"> Amends cafeteria plans to provide limit on salary reduction contributions by employees to health FSA to no more than \$2,500 (IRS will adjust max limit for inflation)
January 1, 2013	FICA Tax	<ul style="list-style-type: none"> Modifies system to accommodate increase in health insurance portion of FICCA
March 1, 2013	Notice of Health Insurance Exchange Option	<ul style="list-style-type: none"> Provides notice to employees of Health Insurance Exchange options
December 31, 2013	Plan Communications	<ul style="list-style-type: none"> Certifies and documents compliance with regulations for electronic transactions between plans and providers
2014		
January 1, 2014	Individual Mandate	<ul style="list-style-type: none"> Requires individuals to have qualifying health coverage



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Plan years beginning on or after January 1, 2014	Preexisting conditions for adults	<ul style="list-style-type: none"> Prohibits exclusions for preexisting conditions for covered individuals age 19 or older (pre-existing condition exclusions also are not permitted for children, but such prohibition went into effect in 2011)
Plans years beginning on or after January 1, 2014	Waiting period	<ul style="list-style-type: none"> Prohibits waiting period in excess of 90 days
Plan years beginning on or after January 1, 2014	Out-of-pocket maximums and limitation on deductibles for Non-Grandfathered Plan	<ul style="list-style-type: none"> Provides limit on out-of-pocket maximums Provides cap on deductibles
January 1, 2014	Health Benefit Exchanges	<ul style="list-style-type: none"> Requires States to establish Health Insurance Exchanges for individuals and small employer group health plans
January 1, 2014	Employer Play or Pay	<ul style="list-style-type: none"> Requires employers with more than 50 full-time employees to provide health insurance that meets value and affordability requirements or pay a fee to help fund Exchanges
Plan years beginning on or after January 1, 2014	Participation in Clinical Trials for Non-Grandfathered Plan	<ul style="list-style-type: none"> Requires coverage of routine patient cost associated with participation in clinical trials
January 1, 2014	Guaranteed Availability of Coverage	<ul style="list-style-type: none"> Requires guaranteed issue and renewability regardless of health status
Plan years beginning on or after January 1, 2014	Phase out of the Annual Dollar Limits on Coverage	<ul style="list-style-type: none"> Prohibits annual dollar limits on essential health benefit coverage
January 1, 2013	Essential Health Benefits	<ul style="list-style-type: none"> Requires health insurance coverage that includes essential health benefits



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January 1, 2014	Wellness Programs	<ul style="list-style-type: none"> Permits offer of rewards to employees for participation in wellness programs
2017		
January 1, 2017	Health Exchanges	<ul style="list-style-type: none"> Permits States to allow large employers to participate in Exchanges
2018		
January 1, 2018	High Cost Plans	<ul style="list-style-type: none"> Requires payment of excise tax on excess value of coverage
After guidance	Automatic Enrollment	<ul style="list-style-type: none"> Requires new eligible employees to be automatically enrolled in plan
After guidance	Quality of Care Reporting	<ul style="list-style-type: none"> Requires annual report to be made available to enrollees in open enrollment period
After guidance	Nondiscrimination Rules for Non-Grandfathered Plans	<ul style="list-style-type: none"> Requires compliance with prohibition against discrimination in favor of highly compensated individuals

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