



NEW NATIONAL HEALTH INSURANCE LAW

What It Means For You and Your Clients

TIMELINE CHART

Effective Immediately	<ul style="list-style-type: none"> ▲ Grandfathering ▲ Part D rebate 	<ul style="list-style-type: none"> ▲ Small business tax credit
Beginning June – July 2010	<ul style="list-style-type: none"> ▲ Temporary early retiree reinsurance program begins ▲ National high risk pool established 	<ul style="list-style-type: none"> ▲ HHS Web portal established
Plan Years Beginning On or After Sept. 23, 2010	<ul style="list-style-type: none"> ▲ Adult children coverage to age 26 ▲ No pre-existing conditions exclusions for children under age 19 ▲ Restricted rescissions ▲ Preventive care services with no cost sharing* ▲ No lifetime dollar limits on essential benefits ▲ Restricted annual dollar limits on essential benefits ▲ Internal & external appeals process* 	<ul style="list-style-type: none"> ▲ Transparency disclosures* ▲ Emergency services (at in-network cost)* ▲ Direct access to OB/Gyn* ▲ Choice of PCP/pediatrician* ▲ Non-discrimination rules extended to insured plans* ▲ Medical loss ratio reporting
2011	<ul style="list-style-type: none"> ▲ No reimbursement for OTC drugs on HSAs ▲ Form W-2 reporting of value of benefits ▲ Increased penalty (20%) for non-qualified HSA withdrawals 	<ul style="list-style-type: none"> ▲ Medical loss ratios rebate ▲ SIMPLE Cafeteria Plans allowed (small employers under 100 lives) ▲ CLASS premium payments & employer auto-enrollment
2012	<ul style="list-style-type: none"> ▲ Summary of coverage requirement 	<ul style="list-style-type: none"> ▲ 60-day notice in advance of modifications
2013	<ul style="list-style-type: none"> ▲ 3.8% investment income tax for high-earners ▲ Medicare tax increase for high-earners ▲ No deduction for retiree drug subsidy 	<ul style="list-style-type: none"> ▲ \$2,500 Cap on health FSA contributions ▲ Employer notification regarding exchanges ▲ Eligible medical expense deduction threshold increased (7.5% to 10%)
2014	<ul style="list-style-type: none"> ▲ Rate reviews begin* ▲ MLRs based on three years of data begins ▲ Individual mandate for minimum essential coverage ▲ State-based insurance exchanges ▲ Employer free rider penalty ▲ Free choice vouchers ▲ No pre-existing condition exclusions ▲ Limit on employee out-of-pocket expenses* 	<ul style="list-style-type: none"> ▲ Modified community rating* ▲ Increased wellness program incentives ▲ Small employer tax credit increases to 50% ▲ No annual dollar limits on essential benefits ▲ Required coverage for clinical trials for life-threatening diseases* ▲ 90-day limit on waiting periods ▲ Early retiree reinsurance program ends ▲ National high risk pool ends
2017	<ul style="list-style-type: none"> ▲ States may permit large employers in exchanges 	
2018	<ul style="list-style-type: none"> ▲ 40% excise tax on high-cost plans 	

* Grandfathered Plans Exempt

Copyright © 2010 National Association of Insurance and Financial Advisors (NAIFA). All rights reserved. The health insurance law discussed in this document is new, untested and presents various questions with unknown answers. NAIFA tries to provide helpful and current information to its members, but the accuracy and timeliness of this information is not guaranteed. This document does not constitute legal, tax, insurance, financial or any other professional advice by NAIFA or any other individual or entity, and must not be relied on as such advice for any reason. This document is intended only to give general summarized information about the topics addressed as NAIFA understands them at the current time. NAIFA reminds its members that it is their responsibility to ensure that the manner in which they solicit and sell insurance and other financial products, and the advertising and sales materials they use, comply with applicable state, federal and regulatory requirements, and the compliance rules of the insurance and other financial companies they represent. If in doubt about compliance issues, check with your company. NAIFA disclaims all liability for any claims or damages that may result from the use of this document or its content.