

## What is health care reform?

Health care reform is intended to overhaul the health care system, expand affordable coverage, change insurance rules and create an online marketplace (exchange) in each state for the individual and small group markets.

## Who is impacted by health care reform?

Health care reform will affect individuals, families, businesses, physicians, hospitals and health insurance carriers. The goal of health care reform is to expand health insurance coverage to all Americans.

## Health care reform provisions at-a-glance

Some aspects of the law are already effective and others will be phased in over the next few years. Regulations will continue to be issued as implementation of the health care reform law is not yet complete.

To help you understand the law, the most important provisions and dates are outlined here.

The information provided here is not intended to advise you on how to comply with any provisions of the referenced legislation or related legislation or regulations, nor is it otherwise intended to impart any legal advice.

This brochure will be updated in the future as more information becomes available. Please contact your account consultant for the most current version, or go to [ExcellusBCBS.com/HealthReform](http://ExcellusBCBS.com/HealthReform)



# How are **YOU** impacted?

An employer's guide to health care reform



A nonprofit independent licensee of the Blue Cross/Blue Shield Association



July 2013 Edition

# 2013

## January 1, 2013

**Summary of Benefits and Coverage:** must be offered to employees on renewal of the health plan, effective 9/23/12.

**Flexible Spending Account (FSA):** Contribution limited to \$2,500.

**Medicare Withholding Tax Increase:** Withholding increases from 1.45% to 2.35% for individuals making \$200,000+/families making \$250,000+.

## January 31, 2013

**New W-2 Reporting Requirements:** Employers filing more than 250 W-2s must report the cost of health coverage on employees' W-2 form in January 2013 for calendar year 2012. Those who file fewer than 250 W2s are exempt until 2014.

## July 1, 2013

**Patient Centered Outcome Research Tax (PCORI Tax)**  
First PCORI Tax due for reporting period of 10/1/2011-10/1/2012. Fee for the first year is \$1.00 per covered life per reporting period. Self-insured plans required to remit payment. Insured plans covered by health insurers.

## October 1, 2013

**Exchanges Open:** Enrollment in individual and small group exchanges begins October 2013 for coverage effective January 2014.

**Employer Notification of Exchanges:** Employers subject to FLSA must notify employees of Exchanges. Template letters are available at DOL.gov.

# 2014

## January 1, 2014

**Individual Provision:** Most U.S. citizens and legal residents will be required to have health insurance or pay a penalty.

**Premium Tax Credits:** These credits are available to eligible individuals to help pay for insurance coverage on the individual Exchange.

### Coverage and Benefit Provisions

- No exclusions from coverage for individuals with pre-existing conditions.
- Mandatory coverage for clinical trials.
- State-determined essential health benefits apply to individual and small group policies.
- Annual limits cannot be applied to essential health benefits.
- Employer groups cannot impose waiting periods of longer than 90 days to new employees.
- Employers may increase the reward for employees meeting specified wellness initiatives (from 20%) to 30% of the cost for single premium coverage.

**Small Businesses:** Small group tax credit expanded up to 50%, if coverage purchased through small employer exchange and qualifying requirements met.

# 2015+

## 2015

**Large Businesses:** Must offer coverage that meets affordability and coverage requirements or pay a penalty.

## 2016

Businesses with 51-100 employees shift to community rating.

## 2017

States can open exchanges to large groups.

## 2018

Cadillac tax imposed on plans with excessive premiums.

**Ask your Account Consultant for a detailed checklist for your business.**



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