

Federal Health Reform: Synopsis of Implementation Timetable 2010 - 2013

	2010	2011	2012	2013
Health Insurers & Self-Insured Plans	<p>Provide dependent coverage to age 26 (Not mandated if other employer coverage is available to adult child)*</p> <p>No lifetime dollar limits*</p> <p>Annual limits must be "reasonable"*</p> <p>No policy rescissions for illness*</p> <p>Mandatory preventive care w/ no cost sharing*</p> <p>No pre-ex limitations to age 19*</p>	<p>Insurers must comply with new medical loss ratio rules for large and small group plans</p>	<p>\$1/enrollee/yr fee to fund effectiveness research</p>	<p>Insurers must meet standards for electronic exchange of health information</p>
Employers	<p>National early retiree medical re-insurance program*</p> <p>Auto-enrollment of full time employees for employers > 200*</p> <p>Must provide break time/private room for nursing moms*</p> <p>Small business tax credits available for premiums</p>	<p>Grants to small businesses (<100 employees) to start worksite wellness programs</p> <p>New plans cannot discriminate in favor of highly-compensated employees.</p>	<p>Provide uniform benefit summary to employees</p> <p>60 day advance notice to participants of material changes</p> <p>Must file 1099 forms with IRS any time >\$600 a year paid to another business for goods or services.</p>	<p>Medicare retiree drug subsidies from fed become taxable income</p> <p>W-2 reporting of 2012 health care coverage</p>
Employees and Individuals	<p>* Most activities listed above as responsibilities of Health Insurance and Employers will directly or indirectly affect Employees and Individuals.</p>	<p>No FSA/HRA/HSA reimbursement for non-prescribed drugs</p> <p>Increased penalties for non-qualified HSA expenditure (from 10% to 20%)</p>		<p>\$2,500 cap on annual FSA contributions; CPI indexed CPI</p> <p>If income > \$200K (\$250K couple), tax increase for Medicare:</p> <ul style="list-style-type: none"> • 2.35% Medicare tax on income > \$200K/\$250K • 3.8% on net investment income

This table summarizes key reforms and is not meant to be a comprehensive analysis. Furthermore, the regulations which will ultimately shape requirements have yet to be written. BRS will continue to provide analysis and updates. Businesses should consult with their insurance brokers for more information.