



WHAT EMPLOYERS NEED TO KNOW RIGHT NOW ABOUT HEALTH CARE REFORM

## Large Group (100 or More Employees) Insured Plans and PPACA

Updated March 2015

PPACA brings numerous responsibilities and options to employers. Below is a summary of the PPACA provisions that apply to group health plans and whether the provision applies to insured large group plans.

### Provisions Effective 2015 or Later

Requirement	Applies to Large Group Insured Plans	Effective Date
Penalties apply if don't offer coverage to employees who average 30 or more hours/week	Yes	Plan year beginning on or after 1/1/2015 <sup>+</sup>
Penalties apply if don't offer affordable, minimum value (60%) coverage to employees who average 30 or more hours per week	Yes	Plan year beginning on or after 1/1/2015 <sup>+</sup>
Report to IRS and employees if provide minimum essential coverage (Form 1095-B)	Yes (insurer will report)	First report due 2/1/2016
Report to IRS and employees regarding offers of affordable, minimum value coverage to full-time employees (Form 1095-C)	Yes	First report due 2/1/2016
Cadillac tax	Yes	1/1/2018
Quality of care reporting*	Yes	TBD
Nondiscrimination (highly compensated)*	Yes	TBD
Auto-enrollment	Yes (only if have more than 200 full-time employees)	TBD

# UBA PPACA Advisor

## Provisions Effective 2010 – 2014

Requirement	Applies to Large Group Insured Plans	Effective Date
Lifetime dollar limits prohibited on essential health benefits (EHBs)	Yes	Plan year beginning on or after 9/23/2010
Annual dollar limits restricted on EHBs	Yes	Plan year beginning on or after 9/23/2010
Must cover dependents to age 26*	Yes	Plan year beginning on or after 9/23/2010
First dollar coverage for preventive care*	Yes	Plan year beginning on or after 9/23/2010
Pre-existing condition exclusion not permitted on children	Yes	Plan year beginning on or after 9/23/2010
Patient protections on choice of provider and emergency room*	Yes	Plan year beginning on or after 9/23/2010
Claims and appeals requirements*	Yes	Plan year beginning on or after 9/23/2010
Rescissions of coverage generally prohibited	Yes	Plan year beginning on or after 9/23/2010
Small employer tax credit available	No	2010 tax year
Restrictions on covering over-the-counter drugs	Yes	Tax year beginning on or after 1/1/2011
Medical loss ratio (MLR) rebates must be distributed	Yes	8/1/2012
Summaries of Benefits and Coverage (SBCs) required	Yes	First open enrollment or plan year on or after 9/23/2012
Health flexible spending arrangement (FSA) limited to \$2,500 (\$2,550 for 2015)	Yes	Plan year beginning on or after 1/1/2013
W-2s must include the cost of health coverage	Yes (only if issued 250 or more W-2s during prior calendar year)	2012 tax year (W-2s issued January 2013)
PCORI fee due	Yes (insurer will report and pay on medical; employer will report and pay on any HRA)	First due 7/31/2013 if plan year ended between 10/1/2012 and 12/31/2012 First due 7/13/2014 if plan year ends 1/1/2013 or later
Exchange notice due	Yes	10/1/2013
Inquiries from exchanges to employer	Yes	October 2013
Eligibility waiting period maximum of 90 days	Yes	Plan year beginning on or after 1/1/2014
Pre-existing condition exclusion not permitted on anyone	Yes	Plan year beginning on or after 1/1/2014
Annual dollar limits prohibited on EHBs	Yes	Plan year beginning on or after 1/1/2014
Protections for those in clinical trials*	Yes	Plan year beginning on or after 1/1/2014

Requirement	Applies to Large Group Insured Plans	Effective Date
Dependent to age 26 exception for grandfathered plans expires	Yes	Plan year beginning on or after 1/1/2014
Modified community rating applies	No	Plan year beginning on or after 1/1/2014
EHBs must be offered	No	Plan year beginning on or after 1/1/2014
Out-of-pocket may not exceed \$6,350/\$12,700 in 2014 and \$6,600/\$13,200 in 2015*	Yes	Plan year beginning on or after 1/1/2014
Must meet metal levels (60%, 70%, 80%, 90%)	No	Plan year beginning on or after 1/1/2014
Guaranteed issue and renewal apply*	Yes	Plan year beginning on or after 1/1/2014
Single risk pool	No	Plan year beginning on or after 1/1/2014
SHOP exchange available	No	Plan year beginning on or after 1/1/2014
Revised wellness program rules	Yes	Plan year beginning on or after 1/1/2014
Health reimbursement arrangements (HRAs) must integrate with a group medical plan	Yes	Plan year beginning on or after 1/1/2014
Health FSA must qualify as an "excepted" benefit	Yes	Plan year beginning on or after 1/1/2014
Health insurer provider tax (indirect obligation)	Yes (insurer will report and pay)	2014
Transitional reinsurance fee	Yes (insurer will report and pay)	Reporting due Dec. 5, 2014; first fee due Jan. 15, 2015

\* Does not apply in whole or part to grandfathered plans.

+ Non-calendar year plans' effective date is the start of the 2015 plan year if the employer had a non-calendar year plan on 12/27/12, employer has not moved the plan year to a later month in the year, affordable and minimum value coverage is offered to most employees as of the start of the 2015 plan year, and either ¼ of its total employees or 1/3 of its full-time employees were covered on Feb. 9, 2014 or ½ of its total employees or 1/3 of its full-time employees were offered coverage during the last open enrollment.

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