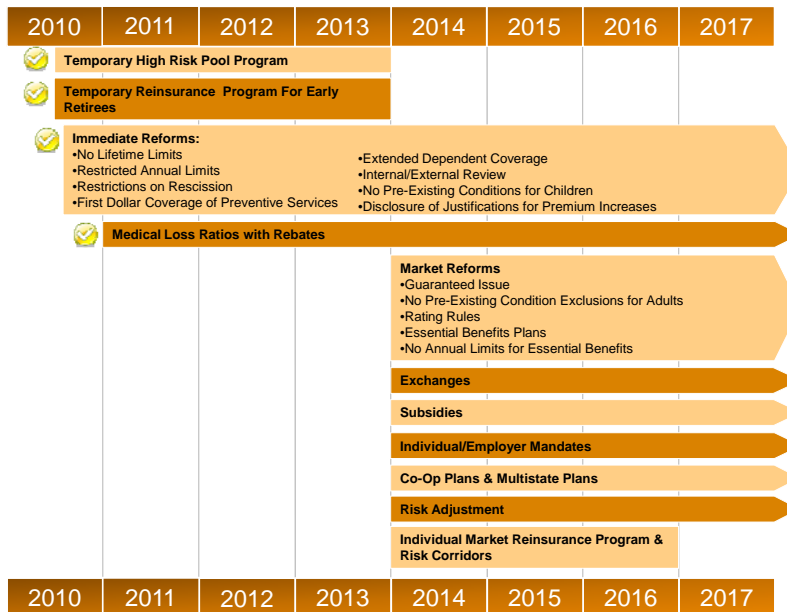


A New Playing Field: Implementation of the ACA

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Implementation Timeline



Healthcare Reform – So Far

- September 23, 2010 Immediate reforms:
 - life time and annual limits
 - internal and external review
 - no pre-ex children under age 19
 - child coverage up to age 26
- Temporary High-Risk Pools
- Rate Review Standards
- Medical Loss Ratios with Rebates
- Coming Soon! Summary of Benefits

2014 Market Reforms

- Guaranteed Issue
- No Pre-Existing Condition Exclusions for Adults
- Rating Rules
 - No health status
 - 3 : 1 maximum variation for age
 - 1.5 : 1 maximum variation for tobacco use
- Single Risk Pool Requirement
- Individual Mandate and Subsidies
- Employer Responsibilities

Preemption

Provisions of PPACA will potentially preempt state laws.

Similar to HIPAA:

Nothing in this title shall be construed to preempt any State law that does not prevent the application of the provisions of this title.

PPACA §1321(d)

Exceptions:

- Grandfathered plans: States may not require grandfathered plans to be pooled with post-reform plans.

2014 Market Reforms: Benefit Design

- Issuers in the individual and small group markets must provide essential health benefits
- Issuers in the large group market and self-insured plans cannot have annual or lifetime limits on essential benefits
- States choose benchmark by September 30, 2012
- If states do not choose benchmark – feds will
- Nondiscrimination in benefit design

2014 Market Reforms: Cost Sharing and Risk Sharing

- Metal Levels
 - Bronze = 60% actuarial value
 - Silver = 70% actuarial value
 - Gold = 80% actuarial value
 - Platinum = 90% actuarial value
 - Catastrophic Plan
- Reinsurance, Risk Corridors, and Risk Adjustment

Exchange Options

- Federally Facilitated Exchange
 - Feds make all the key decisions and operate the Exchange
- Partnership
 - Feds operate Exchange, but state makes many key decisions and does plan management and some consumer assistance
- State Exchange
 - State operates Exchange, may operate risk adjustment program
 - Determining eligibility for subsidies may be optional

Exchange Establishment

- Timeline:
 - November 16, 2012 – Applications Due
 - January 2013 – HHS Certifies State Exchanges
 - October 2013 – Initial Open Enrollment Period
 - January 2014 – Exchange Coverage Effective
- Establishment Grants
 - Available through 2015

Medicaid Options

- Options in the Exchange
- Supreme Court decision broadened options
 - Expand under ACA?
 - Not Expand under ACA?
 - Expand under Old Program?
 - Other Options?
- Guidance needed from CMS



Questions???

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