

Premium Subsidies

- Provides refundable and advanceable premium credits and cost sharing subsidies to eligible individuals and families with incomes between 133–400 percent of FPL to purchase insurance through the Exchanges.

Medicare

- Reduces the out-of-pocket costs for prescriptions while an enrollee is in the coverage gap before becoming eligible for catastrophic coverage.
- Establishes an Independent Payment Advisory Board to submit legislative proposals for Medicare cost-savings.
- Requires Medicare Advantage plans to spend 85 percent of every dollar they receive on health care.

Medicaid

- Requires that states extend spousal impoverishment protections to participants in their HCBS (home- or community-based care) waiver programs, HCBS state plan benefit, and Community First Choice benefit (through 2019).

2015 and Later

Tax Changes

- Imposes a tax on insurers of employer-sponsored health plans with values that exceed \$10,200 for individual coverage and \$27,500 for family coverage (effective 1/1/2018).

Medicare

- Between 2010 and 2020, the Part D “donut hole” will be gradually closed.

About the National Academy of Elder Law Attorneys (NAELA)

NAELA, founded in 1987, is a national association of Elder and Special Needs Law attorneys devoted to the education and training of attorneys who can meet the needs of seniors and people with disabilities, and who advocate for the needs of such individuals.

While NAELA Elder and Special Needs Law attorneys work one-on-one with clients in their local areas, NAELA also examines and advocates on national public policy issues facing seniors and people with disabilities in America including long-term health care; planning for retirement; estate planning and probate; guardianship and conservatorship; health care decision making; and elder abuse and neglect.

This informational brochure is provided as a public service and is not intended as legal advice. Such advice should be obtained from a qualified Elder and Special Needs Law attorney.

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For more information about how the health care reform law may affect you and how to plan for your future, contact:



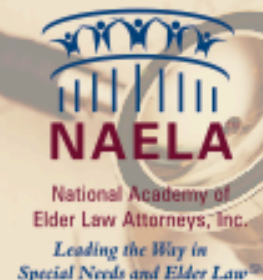
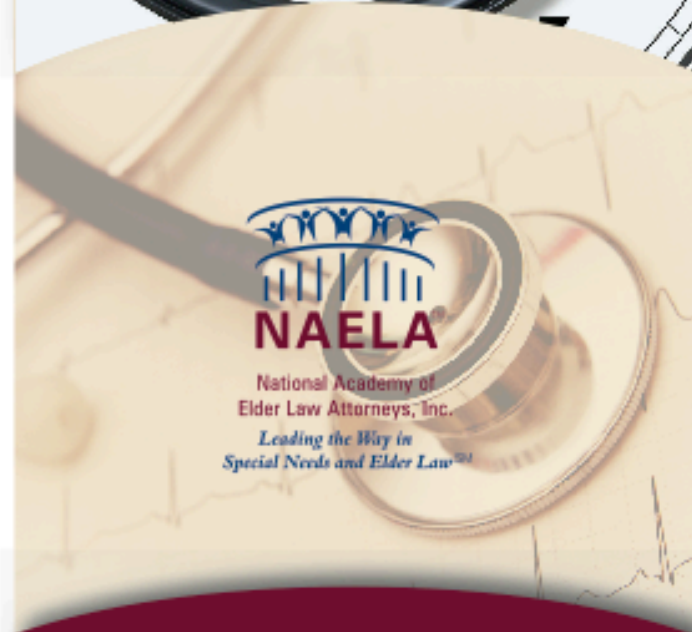
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Health Care Reform Law Implementation Timeline



Health Care Reform Series

Health Care Reform Law Implementation Timeline

Based on a Kaiser Family Foundation timeline. For more detail, visit www.kff.org.

2010

Insurance Reforms

- Provides insurance coverage to individuals with pre-existing conditions through temporary high-risk pools.
- Prohibits insurers from denying coverage to children based on a pre-existing condition.
- Allows young adults to stay on their parents' insurance plans until age 26.
- Prohibits insurers from placing lifetime dollar limits on coverage.
- Prohibits insurers from dropping coverage when a beneficiary becomes ill — a practice called rescission.
- Creates a temporary reinsurance program for employers providing health insurance coverage to retirees over age 55 who are not eligible for Medicare.

Medicare

- Provides a \$250 rebate to Medicare beneficiaries who reach the Part D “donut hole” in 2010.

2011

Long-Term Care

- Establishes a national, voluntary, long-term care insurance program (CLASS program), which will provide a cash benefit to enrollees for the purchase of long-term care services.

Medicare

- Eliminates cost-sharing for preventive services such as colonoscopies and mammograms in Medicare.
- Provides Medicare beneficiaries with a free annual check up.
- Gives Medicare beneficiaries who reach the Part D “donut hole” a 50 percent discount on brand-name prescriptions and a seven percent discount on generic prescriptions.
- Restructures payments to Medicare Advantage plans by setting payments to different percentages of traditional Medicare rates.
- Prohibits Medicare Advantage plans from imposing higher cost-sharing requirements for some Medicare covered benefits than is required under traditional Medicare.
- Freezes the income threshold for income-related Medicare Part B premiums for 2011 through 2019 at 2010 levels, and reduces the Medicare Part D premium subsidy for those with incomes above \$85,000/individual and \$170,000/couple.

Medicaid

- Creates the State Balancing Incentive Program in Medicaid to provide increased federal Medicaid matching payments to states to increase non-institutionally based long-term care services.
- Establishes the Community First Choice Option in Medicaid to provide community-based support services to people with disabilities.

2012

Medicare

- Reduces Medicare payments to hospitals that have preventable hospital re-admissions.

- Provides bonus payments to high-quality Medicare Advantage plans.

Tax Changes

- Increases the threshold for the itemized deduction for unreimbursed medical expenses from 7.5 percent of adjusted gross income to 10 percent of adjusted gross income for regular tax purposes and waives the increase for individuals age 65 and older for tax years 2013 through 2016.
- Increases the Medicare Part A (hospital insurance) tax rate on earnings over \$200,000 per individual and \$250,000 per couple, and imposes a tax increase on unearned income for higher-income taxpayers.
- Eliminates the tax-deduction for employers who receive Medicare Part D retiree drug subsidy payments.

2014

Individual and Employer Requirements

- Requires insurers to offer coverage and renewal of insurance to individuals regardless of health status and limits premium variation.
- Sets limits on annual out-of-pocket health costs for those with incomes of up to 400 percent of the federal poverty level (FPL) as follows:
 - 100–200% FPL: \$1,983/individual, \$3,967/family;
 - 200–300% FPL: \$2,975/individual, \$5,950/family;
 - 300–400% FPL: \$3,987/individual, \$7,973/family.

continued