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Health Care Reform: Who, What, When

Timeline of health care changes

Here is a look at some of the major health care reforms under the Affordable Care Act.

2010

Employers: Small businesses can receive tax credits if purchasing insurance for employees.

Insurers: Cannot impose pre-existing condition exclusions on coverage for children. Must cover preventive services without copays and deductibles. Cannot rescind coverage when a person becomes ill. Cannot impose lifetime coverage limits. Annual limits are restricted. Insurers must provide an improved way for consumers to appeal health care decisions.

Uninsured: Individuals with pre-existing conditions receive access to coverage through a high-risk pool. Dependent children can remain on parents' plans until age 26. States will be allowed to cover more people on Medicaid.

Early retirees: Employers were able to participate in a reinsurance program to help provide coverage for retirees and their spouses, surviving spouses and dependents over age 55 and not eligible for Medicare. Due to funding limits, this program stopped reimbursements for claims incurred after Dec. 31, 2011.

Medicare Part D enrollees: Those entering the "donut hole" gap in coverage in 2010 received a \$250 rebate check.

2011

Insurers: Required to spend at least 80 to 85 percent of premiums on medical services, or pay rebates to consumers.

Medicare Part D enrollees: Received a 50 percent discount on brand-name prescription drugs when in donut hole coverage gap.

Health savings account (HSA) holders: The federal tax for those who spend HSA money on ineligible expenses increases to 20 percent.

Over-the-counter drugs: Except for insulin, OTC drugs without a prescription are not reimbursable from an FSA or HRA, and are not a tax-free reimbursement from an HSA.

W-2: The value of employees' health coverage must be disclosed on their W-2 forms (optional for 2011 for all employers, large employers must comply in 2012).



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2012-2013

Taxpayers: Medicare payroll taxes increase to 2.35 percent for individuals earning more than \$200,000 and families earning more than \$250,000.

Flexible savings accounts: A federal limit of \$2,500 for individual pretax contributions per year.

2014

Insurers: Prohibited from refusing to sell or renew policies. Cannot deny coverage for adults with pre-existing conditions. In the individual and small group markets, cannot charge higher rates due to gender or health status. Prohibited from imposing annual limits. Cannot drop or limit coverage because an individual chooses to participate in a clinical trial.

Uninsured: Most Americans required to buy health insurance or pay fines of \$95 per individual (\$47.50 per child under 18) up to \$285 per family (or one percent of adjusted taxable income if this amount is greater). Families can receive subsidies to buy insurance if they earn between 100 percent and 400 percent of the federal poverty level. Individuals and small businesses can buy coverage through Exchanges.

2015

Employers: Companies with 50 or more employees must provide affordable coverage with minimum value to their full-time employees, or may be subject to a penalties.

Uninsured: Penalties for not carrying insurance increase to \$325 per individual (\$162.50 per child under 18) up to \$975 per family (or two percent of adjusted taxable income if this is greater).

2016

Uninsured: Penalties for not carrying insurance increase to \$695 per individual (\$347.50 per child under 18) up to \$2,085 per family (or 2.5 percent of adjusted taxable income if this is greater). After 2016, the penalty is adjusted for inflation.

2020

Medicare Part D Enrollees: Prescription drug coverage gap eliminated.

Taxpayers: A 40 percent excise tax imposed on high-cost employer-provided policies (\$10,200 for individual coverage or \$27,500 for family coverage).

Source: www.healthcare.gov



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