



## **H.R. 3590**

# **The Patient Protection and Affordable Care Act**

### **What Is Effective Right Away?**

1. Effective upon enactment, all plans excluding "grandfathered" plans must have no lifetime or annual limits. "Grandfathered" means plans in place prior to enactment.
2. All plans must raise the age of a dependent for health plan coverage to Age 26, excluding "grandfathered" plans.
3. This Bill restricts rescissions of health plan coverage in all insurance markets (rescissions will still be allowed for fraud; essentially this is the same as how we're currently operating).
4. Allows for federal review of health insurance premium rates (this doesn't affect the agent on a day to day basis).
5. Within 90 days of enactment, any individual who has been uninsured for at least 6 months and has a pre-existing medical can receive coverage through a high risk pool, which may be a national high risk pool created by the Department of Health and Human Services or with a state high risk pool. This high risk pool will exist until January 1, 2014 and be funded through a \$5 billion federal appropriation.
6. Also within 90 days of enactment, a temporary reinsurance program is created to provide assistance to "qualified" employer-sponsored retiree health plans for early retirees (55–64 years). This will end on January 1, 2014 and be funded by a \$5 billion appropriation.

### **What Is Effective in Six Months?**

1. Mandated coverage of specific preventative services with no cost sharing.
2. Annual benefit limits on coverage would be limited to DHHS-defined non-essential benefits
3. Mandated coverage of emergency services at in-network level regardless of provider
4. Allows enrollees to designate any in-network provider as their primary care doctor (including OB/GYN and pediatrician)
5. Prohibits discrimination in coverage or premium based on salary
6. Requires plans to have coverage appeals processes
7. Requires that a summary of coverage be provided to applicants and enrollees
8. Tax credits would be made available for qualified small employer contributions to purchase coverage for employees. Would apply to small employers with fewer than 25 employees and average annual wages of less than \$40K

### **What might change with the Reconciliation Package?**

The only change to the above itemized components of H.R. 3590 is as follows:

- The Reconciliation bill eliminates the requirement in H.R. 3590 that dependents up to age 26 be unmarried and clarifies that the group health insurance income tax exclusion is extended to dependents up to age 26.

As BSCAI's preferred broker, we will work to answer your questions quickly & accurately. Please call Tim Minnick at 800-347-9181 or Bob Hope at 866-925-0643.