

The Affordable Care Act (ACA)

It seems like you just can't turn on any TV station or radio station without hearing about the ACA. What is it? Does it affect me? What do I need to do? It is hard to summarize a 20,000 page law in a brief article, so to keep it as short as possible, we will do three blogs: one for smaller groups, one next week for the over 50 employees and end with the individual mandate that is causing confusion.

First, if you have between 2-49 employees, here is what you need to know:

- There is a small business tax credit for fewer than 25 employees. You should seek advice from an accountant to see how it affects your business.
- Limit employee contributions to health flexible spending accounts (FSA) to \$2,500 per year.
- Provide written notice about Health Care Benefit Exchanges by Fall.
- Provide a Summary of Benefits and Coverage (SBC) on or after September 23, 2012. You should have documentation that this has been done.

The following provisions take effect beginning 2014:

- **All carriers will remove plan exclusions for those of any age.**
- **Your group carrier will make sure your plan provides Essential Health Benefits (EHB)** as prescribed by The Affordable Care Act.
- **Your group carrier will make sure that cost-sharing** towards services will accumulate to your plan's out of pocket maximum including flat dollar co-pays.
- **Be aware of the Patient Centered Outcomes Research Institute Fee (PCORI)** – a \$1 per member per year fee. On fully insured health plans this is rolled into the premium rates and not shown on invoices.
- **Adjusted Community Rating (ACR)** will begin on or after January 1, 2014. Insurers cannot use actual or expected health status or claims experience to set rates. Other factors such as age, geographic area and tobacco use may be used within certain limits.
- **Annual limitation on plan deductible is \$2,000 single/\$4,000 family.**
- **Out of pocket maximums for health savings accounts (HSA) will be \$6,250 single/\$12,500 family.**

Additional resources:

www.uhc.com/reform

www.healthcarereformlouisiana.com