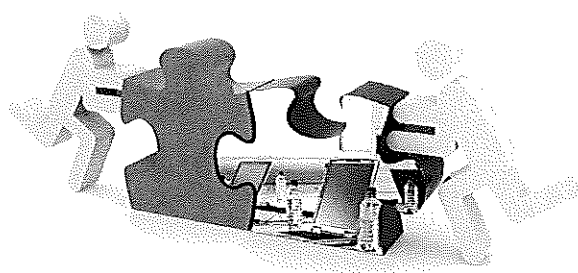




NATIONAL ASSOCIATION OF INSURANCE AND FINANCIAL ADVISORS



NEW NATIONAL HEALTH INSURANCE LAW

What It Means For You and Your Clients

TIMELINE CHART

Effective Immediately	<ul style="list-style-type: none"> ▲ Grandfathering ▲ Part D rebate 	<ul style="list-style-type: none"> ▲ Small business tax credit
Beginning June – July 2010	<ul style="list-style-type: none"> ▲ Temporary early retiree reinsurance program begins ▲ National high risk pool established 	<ul style="list-style-type: none"> ▲ HHS Web portal established
Plan Years Beginning On or After Sept. 23, 2010	<ul style="list-style-type: none"> ▲ Adult children coverage to age 26 ▲ No pre-existing conditions exclusions for children under age 19 ▲ Restricted rescissions ▲ Preventive care services with no cost sharing* ▲ No lifetime dollar limits on essential benefits ▲ Restricted annual dollar limits on essential benefits ▲ Internal & external appeals process* (grace period until 7/11) 	<ul style="list-style-type: none"> ▲ Transparency disclosures* ▲ Emergency services (at in-network cost)* ▲ Direct access to OB/Gyn* ▲ Choice of PCP/pediatrician* ▲ Non-discrimination rules extended to insured plans* ▲ Medical loss ratio reporting
2011	<ul style="list-style-type: none"> ▲ No reimbursement for OTC drugs on HSAs ▲ Form W-2 reporting of value of benefits (grace period) ▲ Increased penalty (20%) for non-qualified HSA withdrawals 	<ul style="list-style-type: none"> ▲ Medical loss ratios rebate ▲ SIMPLE Cafeteria Plans allowed (small employers under 100 lives) ▲ CLASS (waiting on guidance)
2012	<ul style="list-style-type: none"> ▲ Summary of coverage requirement ▲ 60-day notice in advance of modifications 	<ul style="list-style-type: none"> ▲ HHS to provide CLASS details
2013	<ul style="list-style-type: none"> ▲ 3.8% investment income tax for high-earners ▲ Medicare tax increase for high-earners ▲ No deduction for retiree drug subsidy ▲ \$2,500 Cap on health FSA contributions 	<ul style="list-style-type: none"> ▲ Employer notification regarding exchanges ▲ Eligible medical expense deduction threshold increased (7.5% to 10%) ▲ CLASS premium payments & employer auto-enrollment
2014	<ul style="list-style-type: none"> ▲ Rate reviews begin* ▲ MLRs based on three years of data begins ▲ Individual mandate for minimum essential coverage ▲ State-based insurance exchanges ▲ Employer free rider penalty ▲ Free choice vouchers ▲ No pre-existing condition exclusions ▲ Limit on employee out-of-pocket expenses* 	<ul style="list-style-type: none"> ▲ Modified community rating* ▲ Increased wellness program incentives ▲ Small employer tax credit increases to 50% ▲ No annual dollar limits on essential benefits ▲ Required coverage for clinical trials for life-threatening diseases* ▲ 90-day limit on waiting periods ▲ Early retiree reinsurance program ends ▲ National high risk pool ends
2017	<ul style="list-style-type: none"> ▲ States may permit large employers in exchanges 	
2018	<ul style="list-style-type: none"> ▲ 40% excise tax on high-cost plans 	

* Grandfathered Plans Exempt

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