

Health Care Reform: A Timeline for Employers

As we all know, President Obama signed a massive health care reform bill into law on Tuesday, March 23, 2010. Some of the legislative changes take effect in 2010, while others will be phased in over time, extending as far as 2018 in some instances. Below are the changes which take effect September 23, 2010:

- Dependent children will be permitted to remain on their parents' insurance plan until their 26th birthday.
- Insurers are prohibited from discriminating against any individuals under the age of 19 based on pre-existing medical conditions.
- Insurers are prohibited from charging co-payments or deductibles for Level A or Level B [preventive care](#) and medical screenings on all *new* insurance plans.
- Individuals affected by the [Medicare Part D coverage gap](#) will receive a \$250 rebate, and 50% of the gap will be eliminated in 2011. The gap will be eliminated by 2020.
- Insurers' abilities to enforce annual spending caps will be restricted, and completely prohibited by 2014.
- Insurers are prohibited from dropping [policyholders](#) when they get sick.
- Insurers are required to reveal details about administrative and executive expenditures.
- Insurers are required to implement an [appeals](#) process for coverage determination and claims on all new plans.
- [Indoor tanning](#) services are subjected to a 10% service tax.
- Enhanced methods of [fraud](#) detection are implemented.
- Medicare is expanded to small, rural hospitals and facilities.
- Non-profit [Blue Cross](#) insurers are required to maintain a [loss ratio](#) (money spent on procedures over money incoming) of 85% or higher to take advantage of [IRS](#) tax benefits.
- Companies which provide early retiree benefits for individuals aged 55–64 are eligible to participate in a temporary program which reduces premium costs.
- A new website installed by the [Secretary of Health and Human Services](#) will provide consumer insurance information for individuals and small businesses in all states.
- A temporary credit program is established to encourage private investment in new therapies for disease treatment and prevention.