



Large Group (More Than 50 Employees) Insured Plans and PPACA

PPACA brings numerous responsibilities and options to employers. Below is a summary of the PPACA provisions that apply to group health plans and whether the provision applies to insured large group plans.

Provisions Effective 2013 or Later

Requirement	Applies to Large Group Insured Plans	Effective Date
Health FSA limited to \$2,500	Yes	Plan year beginning on or after 1/1/2013
W-2s must include the cost of health coverage	Yes (only if issued 250+ W-2s during prior calendar year)	2012 tax year (W-2s issued Jan. 2013)
PCORI fee due	Yes (insurer will report and pay on medical; employer will report and pay on any HRA)	7/31/2013 if plan year ended 10/1/2012 – 12/31/2012; first due 7/31/2014 if plan year ends 1/1/2013 or later
Exchange notices due	Yes	10/1/2013
Inquiries from exchanges to employers	Yes	Oct. 2013
Eligibility waiting period maximum of 90 days	Yes	Plan year beginning on or after 1/1/2014
Pre-ex not permitted on anyone	Yes	Plan year beginning on or after 1/1/2014
Annual dollar limits prohibited on essential health benefits	Yes	Plan year beginning on or after 1/1/2014
Protections for those in clinical trials*	Yes	Plan year beginning on or after 1/1/2014
Dependent to age 26 exception for grandfathered plans expires	Yes	Plan year beginning on or after 1/1/2014

Our access to PPACA Advisor resources can help you clear up PPACA questions and better craft your company's benefit strategy for the future.



This information is general and is provided for educational purposes only. It reflects UBA's understanding of the available guidance as of the date shown and is subject to change. It is not intended to provide legal advice. You should not act on this information without consulting legal counsel or other knowledgeable advisors.

Requirement	Applies to Large Group Insured Plans	Effective Date
Modified community rating applies*	No	Plan year beginning on or after 1/1/2014
Essential health benefits (EHBs) must be offered*	No	Plan year beginning on or after 1/1/2014
Deductible generally may not exceed \$2,000/4,000*	No	Plan year beginning on or after 1/1/2014
Out-of-pocket may not exceed \$6,350/12,700*	Yes	Plan year beginning on or after 1/1/2014
Must meet metal levels (60%, 70%, 80%, 90%)*	No	Plan year beginning on or after 1/1/2014
Guaranteed issue and renewal apply*	Yes	Plan year beginning on or after 1/1/2014
Single risk pool*	No	Plan year beginning on or after 1/1/2014
SHOP exchange available	No	Plan year beginning on or after 1/1/2014
Revised wellness program rules	Yes	Plan year beginning on or after 1/1/2014
Health insurer provider tax (indirect obligation)	Yes (insurer will report and pay)	2014
Transitional reinsurance fee	Yes (insurer will report and pay)	Reporting due Nov. 2014, first fee due Jan. 2015
Penalties apply if don't offer coverage to employees who average 30 or more hours/week	Yes	2015
Penalties apply if don't offer affordable, minimum value (60%) coverage to employees who average 30 or more hours per week	Yes	2015
Report to IRS if provide minimum essential coverage	Yes (insurer will report)	2016
Report to IRS regarding affordable, minimum value coverage	Yes	2016
Cadillac tax	Yes	1/1/2018
Quality of care reporting*	Yes	TBD
Nondiscrimination (highly compensated)*	Yes	TBD
Auto-enrollment	Yes (only if have more than 200 full-time employees)	TBD

Provisions Effective 2010 - 2012

Requirement	Applies to Large Group Insured Plans	Effective Date
Lifetime dollar limits prohibited on EHBs	Yes	Plan year beginning on or after 9/23/2010
Annual dollar limits restricted on EHBs	Yes	Plan year beginning on or after 9/23/2010
Must cover dependents to age 26*	Yes	Plan year beginning on or after 9/23/2010
First dollar coverage for preventive care*	Yes	Plan year beginning on or after 9/23/2010
Pre-ex not permitted on children	Yes	Plan year beginning on or after 9/23/2010
Patient protections on choice of provider and emergency room*	Yes	Plan year beginning on or after 9/23/2010

Claims and appeals requirements*	Yes	Plan year beginning on or after 9/23/2010
Rescissions of coverage generally prohibited	Yes	Plan year beginning on or after 9/23/2010
Small employer tax credit available	No	2010 tax year
Restrictions on covering over-the-counter drugs	Yes	Tax year beginning on or after 1/1/2011
MLR rebates must be distributed	Yes	8/1/2012
Summaries of Benefits and Coverage (SBCs) required	Yes	First open enrollment or plan year on or after 9/23/2012

* Does not apply in whole or part to grandfathered plans

Note: For 2014 and 2015, the Patient Protection and Affordable Care Act (PPACA) considers a large employer one that has over 50 employees. (In most states, part-time employees count pro rata toward full-time equivalent employees using the same method as the play or pay requirement.) Beginning in 2016, for purposes of the insurance market requirements - but not the employer shared responsibility/play or pay requirement - a large group will be defined as over 100 employees.

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