Implementation:
Federal Health Reform Law

Mila Kofman, J.D.
Superintendent
Maine Bureau of Insurance
Phone (direct): 207-624-8550
Web page: maine.gov/pfr/insurance
Email: mila.kofman@maine.gov

• Bureau of Insurance internal process: implementation team (analysis, planning, etc)
• Role of the National Association of Insurance Commissioners (NAIC) in federal statute (Maine’s BOI leadership within NAIC)
• Bureau of Insurance work with regulated community (monthly calls with each health plan, brokers)

COVERAGE FOR CHILDREN UP TO AGE 26
• Beginning September 23, 2010, health plans must allow children to remain on the plan until their 26th birthday
• Many insurers are voluntarily making this available June 1, 2010
• Maine law currently requires insurers to offer coverage until 25th birthday, but employer may decline
• PPACA requires all individual and job-based health insurance to have coverage available for children up to age 26
COVERAGE FOR CHILDREN UP TO AGE 26 cont.

- What if the child is no longer covered, e.g., aged out of plan?

Regulations require a 30-day special enrollment period for adult children who are currently off the plan.

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COVERAGE FOR CHILDREN UP TO AGE 26 - questions

- Was the tax code fixed?

Yes. The reconciliation bill removed the tax penalty.

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COVERAGE FOR CHILDREN UP TO AGE 26 - questions

- Do all plans have to comply?

- No. The exceptions are:
  - Plans that don’t cover dependents at all
  - Group plans in force before March 23, 2010, if the child is eligible for coverage through his or her own job
REINSURANCE FOR EARLY RETIREEES

- $5 billion federal program to assist employer plans that cover early retirees
  - 55 years or older
  - Covered under plan but no longer active employee
  - Not yet eligible for Medicare

REINSURANCE FOR EARLY RETIREEES

- Reinsurance pays if an early retiree or his or her dependent has claim costs that exceed $15,000 in one year
- Pays 80%: $15,000 - $90,000
  - Means up to $60,000 per person per year in reinsurance

REINSURANCE FOR EARLY RETIREEES

- No cost to employer to participate
- Available to both insured and self-insured employers if they cover early retirees
- Available to both public and private employers
- First come, first served
REINSURANCE FOR EARLY RETIREES

- Employer must submit complete application in order to participate
- If application is incomplete, must resubmit and lose place in line
- HHS will provide assistance in preparing complete application

TAX CREDIT FOR SMALL EMPLOYER HEALTH COVERAGE

- Available 2010
- For employers with fewer than 25 FTE employees and less than $50,000 average annual wages
- Reimburses up to 35% of employer’s contribution, goes up to 50% in 2014
- Maximum credit is for 10 or fewer FTE and $25,000 or less average annual wages
- FAQ and other info on Bureau of Insurance and IRS websites

PREVENTIVE CARE

- Required coverage for specified preventive health services
- No copayments, deductibles, or other cost sharing
PREVENTIVE CARE

- September 23, 2010
- All new coverage must comply
  - Group and individual, insured and self-insured
- Coverage issued between March 23 and September 23, 2010 must include preventive care when next “plan year” begins

PREVENTIVE CARE

- Based on evidence-based standards
- Must include services recommended by
  - United States Preventive Services Task Force
  - CDC Advisory Committee on Immunization Practices
  - Health Resources and Services Administration