

Maintaining “Grandfather” Status: Is It Worth It?

Moderated by:

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Maintaining Grandfather Status

Our purpose is not to explain the “Grandfather” regulations in detail.

We want to provide perspective on what the regulations mean.

We plan do this via a “friendly” debate between:

- John Eggertsen who will take the “Hold on Tight” side
- And
- Sharon Foster who will take the “Drop it Like a Bad Habit” view

Grandfather Regs: A Quick Orientation

- Original health reform proposal promised voters if they liked their plan they could keep it. Grandfather regs are the fine print behind that commitment.
- Grandfather plans are ones that do not change after 3/23/2010
- A plan change is defined from the perspective of an INDIVIDUAL.
- Any change to: 1) services paid for, 2) cost sharing, or 3) contributions that impact the INDIVIDUAL enrollee constitutes a change.
- Plans that do not change any of these things must then notify enrollees, document the coverage they offer, and provide a contact for questions and complaints to qualify for “Grandfather” status.
- Being Grandfathered means you are exempt from some – but not all – health reform changes.

Grandfather Regs: In-depth Background

- For interested attendees, our two presenters have provided two resources for your review.
 - Grandfathered Plan Guidance – Supplemental Information
 - Background on Key Concepts

Initial Attendee Views

Survey:

If you had to choose now, what would your choice be?

1. Maintain Grandfather status
2. Abandon Grandfather status
3. Don't Know or Uncertain

Point Counter Point

Maintaining "Grandfather" Status:
Is It Worth It?

HOLD ON TIGHT!

- Preventative Services - 2713
- Reporting by self-funded plans to state insurance commissioners and participants - 2715A
- Internal/External Claim Appeals – 2719
 - can your claim administrator comply in time?
- Avoid limits on cost sharing (to extent can still qualify as a GHF Plan) - 2707(b)
- Good risk, small employers hurt - 2701
- Good risk, small employers hurt - 1343
- Avoid 2716 discrimination rules

HOLD ON TIGHT!

THE UNKNOWN—DON'T WALK INTO
QUICKSAND UNTIL YOU KNOW THE
PATH!!

DROP IT LIKE A BAD HABIT!

- Flexibility
 - A narrow path to compliance
- Hard dollar costs are small - “relatively”
- Complexity - time will erode grandfathered status
 - Multiple plan options
- Swimming up stream
 - The world (your vendors) will be adapting
- Lack of clarity as to other changes impacting status

DROP IT LIKE A BAD HABIT!

SPENDING TIME, ENERGY AND MONEY

HOLDING ON TO A STATUS YOU ARE GOING

TO LOSE ANYWAY!

Final Attendee Views

Survey:

If you had to choose now, what would your choice be?

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2. Abandon Grandfather status
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Resources

- Articles
 - PPACA Preventive Care Regulations
 - http://ajg.acrobat.com/hcr_prevent/
 - Regulations on Grandfathered Status: Do You Want To Keep It?
 - <http://ajg.acrobat.com/grandfther/>
 - Frequently Asked Questions for Employers
 - http://ajg.acrobat.com/hcr_qa/

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