

“Obamacare” Compliance: How It Helps Self-funded Plans

Presented by:
Si Nahra, Ph.D., President

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Pioneering Specialists in Group Health Care

Post-Payment Administration

For Over 25 Years

Customer Philosophy:

Respect for Existing Procedures

Emphasis on Customization

FOCUS on Solutions

Orientation towards our topic

- Distrust of government is an American value.
- Disrespect for anything the government does is not.
- Partisan politics do not apply.

Presidents' Policies

Presidents	Health Policy Legacy
Roosevelt/Truman	Social Security
Eisenhower	Employment-based Benefits
Kennedy/Johnson	Medicare/Medicaid
Nixon/Ford	HMOs
Carter	National Health Planning
Reagan	Dismantle Carter program. Rely on Market Forces
Bush I	Federally Qualified Health Centers
Clinton	HIPAA
Bush II	Medicare Part D (Rx)
Obama	ACA and the Rise of the Consumer Market
Post-Obama	2016/17 may be tougher than 2014

Focus Today

Affordable Care Act

(Title I, Subtitles A, C, and F)

Self-funded Group Health Plans

- Shared Responsibility AKA Pay-or-Play
- Other related requirements

Gauging Intent

- No lifetime limits
- Coverage of preventive health
- Extension of dependent coverage
- Uniform explanation of coverage
- Standard plan comparisons
- Limits on coverage costs
- Common eligibility rules
- Confirmed offer of coverage
- Limits on out-of-pocket costs
- Taxes for research and risk

Who Benefits Most?

Individual consumers

Self-funded plan role?

Implementation

A way to get to individuals

What Plan Compliance Means

1. Play by the same rules
2. Manage eligibility and enrollment
3. Pay taxes for research and risk

1. Play by the same rules

Provision	Consumer Impact	Plan Consequence
Minimum Value	Consumer knows what they are getting and how it compares	Easy to pass for most. Out-of-pocket limits an issue for some. Spending accounts help.
Affordability	Consumer costs for getting coverage capped at 9.5% of family income.	Easy to pass for most. Issue for some low-wage workers.
Per occurrence fine small and unlikely.		
Out-of-pocket accumulator	All consumer cost sharing for services counts towards limits tied to spending accounts.	Brings order to chaos. Many will need to re-do cost sharing rules and administration.

2. Manage eligibility and enrollment

Provision	Consumer Impact	Plan Consequence
FTE Eligibility	Same eligibility rules apply wherever you go.	New process needed. Brings direction to most overlooked area. Impacts certain groups (hourly, seasonal) more.
Offer of enrollment	Presents and explains options.	Opportunity to take Or Obstacle to avoid
Overall fine can be large but easy to avoid.		

3. Pay taxes

Provision	Consumer Impact	Plan Consequence
Research	None	Disturbing precedent.
Risk		See slide 3: Distrust of government is an American value.

Options

- Ignore
- Delay
- Fight
- Comply

Why Comply?

- The Good
 - Creating a market with comparable products
 - Adopting uniform plan definitions
 - Standardizing how individual liability is calculated
 - Defining eligibility-enrollment-entitlement processes
- Outweighs the Bad
 - Changes to existing policies and procedures
 - Taxes

Past Webinars Available

Recordings of past webinars are available upon request, including:

- Mid-June 2013 – Employer Mandate Calculations Explained
- May 2013 – Pay or Play: A Bigger Challenge for TPAs than for Plans
- April 2013 - The Most Overlooked Part of Health Reform: Enrollee Communications
- March 2013 – Why Cost Sharing is not Working
- February 2013 – Loss of Fiduciary Control
- January 2013 – Top 10 Do's and Don'ts of Data Warehousing
- December 2012 – Union Trusts: Health Reforms Most Overlooked Winner?
- November 2012 – Year-end Renewal and Bidding: Opportunities for Control and Savings
- October 2012 – The 5 Most Important Things an Effective Dependent Audit Should Include
- September 2012 – Old Question, New Twist: Is Self-funding Right for Your Group Health Plan?
- August 2012 – Are You Ready to Manage Your Health Plan Costs?
- June 2012 - Group Health Brokers' Future: Disintermediation or Re-intermediation

For more information, please visit www.healthdecisions.com

For More Information Contact

si@healthdecisions.com

734-451-2230

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