



Affordable Care Act (ACA)

2014 ACA Compliance Plan

For Self-funded Group Health Plans

Series Overview

Presenter:

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ACA Series

2014 will be a year to remember for self-funded health plans.

On top of current responsibilities, add complying with the Affordable Care Act (ACA).

By the end of 2014, group health plans must be

- ready to comply with the full range of ACA requirements and
- ready to stay compliant until at least 2017 and probably beyond.

This webinar introduces a monthly webinar series on ACA compliance.

We present an approach to ACA compliance that uses and complements current plan management responsibilities.

Each month we will cover an ACA compliance topic relevant to that time of year.

We offer one version of an ACA Plan for 2014 you can adopt or adapt.

We welcome your questions, suggestions and comments any time.

Please invite others to join.

2014 Without ACA

Month	Current Focus
January	Prior Year Close-out
February	
March	
April	
May	Review Progress And Assess Changes
June	
July	
August	Open Enrollment
September	
October	
November	
December	New Plan Year Launch

2014 With ACA

Month	Current Focus	ACA Focus
January	Prior Year Close-out	Are current requirements met?
February		Can you do tests and calculations?
March		How to minimize liability and maximize savings?
April		
May	Review Progress And Assess Changes	Changes needed for compliance
June		New market opportunities
July		Enhance control of plan
August	Open Enrollment	Two-way communications
September		Improve employee relations
October		
November		
December	New Plan Year Launch	ACA 2015 – 2017

2014 ACA Series

Month	Current Focus	2014 ACA Plan Webinar Series
January	Prior Year Close-out	1/30: ACA is here. Are you ready? What you should have done and in place now.
February		2/20: ACA Foundation. Employee eligibility verification. Opportunity for savings and employee engagement.
March		3/20: ACA Costs now and in the future. How much and how to minimize or manage.
April		4/17: ACA Cost Sharing (Preventive Care and OOP Maximum) Ticking time-bomb of liability.

2014 ACA Series

Month	Current Focus	2014 ACA Plan Webinar Series
May	Review Progress And Assess Changes	5/15: ACA Changes to individual liability and/or plan terms. Documentation and communication options.
June		6/19: ACA and Competitive Bidding Adapt current plan or look at market options
July		7/17: ACA and TPA Selection Shared administrative and compliance expectations.

2014 ACA Series

Month	Current Focus	2014 ACA Plan Webinar Series
August	Open Enrollment	8/21: ACA and Open Enrollment Informing employees of ACA decisions and impact.
September		9/18: ACA Required Communications Two-way communications are here.
October		10/16: ACA and Individual Enrollee Liability Cost sharing limits reconciliation (over and under payment)
November		11/20: ACA and COBRA New dimensions to life events monitoring.
December	New Plan Year Launch	ACA 2015 Plan ACA 2015-2017 and beyond

ACA Status

Regulations Currently In Effect as of January 1st, 2014

Regulations NOT delayed by Treasury Dept.

- End to eligibility denial due to pre-existing conditions
- End to lifetime limits
- Eligibility for dependents under age 26
- W-2 Reporting of plan value
- Cost Sharing limitations and Out-of-Pocket maximums
- PCORI Research Fee (due end of July)
 - \$2 per member per year
- Transitional Reinsurance Fee
 - Submit Enrollment Rosters to HHS by November – \$5.25 per member per month/\$63 annually
- Coverage of applicable Clinical Trials
- Distribution of SBCs and Exchange notices

Regulations delayed by Treasury Dept.

- Reporting requirements under sections 6055 and 6056
- Penalties for plans that do not meet minimum value or affordability standards – Section 4980(H) *
- Offering coverage to employees who work an average of 30 or more hours per week

* Exchanges may contact employers for this information once the marketplaces are open to the public.

ACA Costs

- **Two new taxes (Now)**
 - Impacted by ineligible members.
- **Claims for non-spouse dependents 19-26 (Now)**
 - Surprisingly large costs for many groups.
- **Preventive care cost sharing waiver (2014)**
 - Variable costs levels but none insignificant.
- **Out-of-pocket (OOP) maximum limits (2015)**
 - Significant liability based on current OOP enforcement.
- **Non-compliance and play-or-pay penalties**
 - In the future, if detected and enforced.

The HD ACA Plan

First Quarter

- **Compile Needed Data Files**
 - **Payroll Data (with history)**
 - **Enrollment Rosters (with history)**
 - **Paid Claims (transactions not summaries)**
 - **Assess Data files for accuracy and use**
-
- **Complete Minimum Value Test**
 - **Complete Affordability Test**
 - **Survey all employees about plans for future coverage**
 - **Verify Dependent Eligibility**

The HD ACA Plan

Second Quarter	<ul style="list-style-type: none">• Run Baseline Testing• Begin to implement necessary data capturing changes• Identify “Impact” employees• Begin Compliance Strategy Planning• Identify any necessary Plan changes• Begin designing and implementing compliance tools and procedures
May, 2014	<ul style="list-style-type: none">• Conduct member count for Patient-Centered Outcomes Research Institute (PCORI) Fee
July 31st, 2014	<ul style="list-style-type: none">• Pay Patient-Centered Outcomes Research Institute Fee• Fee is \$2 for plan years ending on or after October 1st, 2013 and before October 1st, 2014

The HD ACA Plan

Third Quarter

- **Finalize Compliance Strategy**
- **Decide whether to adapt current plan or look at market options.**
- **Test 2015 compliance procedures with actual events and data**
- **Establish and maintain routine data file transfers**

The HD ACA Plan

Fourth Quarter	<ul style="list-style-type: none">• Finalize Compliance tools and procedures• Implement necessary plan changes• Conduct Open Enrollment• Beginning compiling reports<ul style="list-style-type: none">○ 6056 and W-2• Identify and enroll newly eligible employees and dependents based off of new definition for a Full-Time Employee• Begin compiling updated payroll and enrollment data
October, 2014	<ul style="list-style-type: none">• Begin assembling updated enrollment roster for the Transitional Reinsurance Fee
November 15th, 2014	<ul style="list-style-type: none">• Membership counts for the Transitional Reinsurance Fee are due<ul style="list-style-type: none">○ Must be submitted to HHS
December 15th, 2014	<ul style="list-style-type: none">• Invoices delivered back to employers for Transitional Reinsurance Fee

The HD ACA Plan

Ongoing throughout Calendar Year

- **Transmit payroll data and updated enrollment rosters monthly**
- **Monitor known “Impact” employees**
- **Identify new “Impact” employees**
- **Handle and document “Trigger” events**
- **Supply new hired employees with applicable required notices**
- **Comply with 90-day waiting period and other Plan requirements**
- **Inform COBRA enrollees of Marketplace options**
- **Monitor dependent eligibility**
- **Stay up-to-date on regulatory and compliance changes**

<http://www.healthdecisions.com/Blog/ViewCategory.aspx?cat=5&mid=57&pageid=23>

ACA Compliance

- May 2013: Pay or Play: A Bigger Challenge for TPAs
- June 2013: Obamacare Compliance and Self-funded Plans
- June 2013: ACA Employer Mandate Calculations Explained
- April 2013: The Most Overlooked Part of Health Reform: Enrollee Communications
- November 2013: ACA Preventive Services
- December 2012: Union Trusts: Health Reforms Most Overlooked Winner?
- February 2012: Health Reform: A Contrarian's Perspective
- May 2010: Self-funded Plans and Health Reform: Challenges and Opportunities
- April 2010: Dependent Auditing in the Age of Health Reform

ACA Mechanics

- August 2013: After Open Enrollment
- October 2012: The 5 Most Important Things a Dependent Audit Should Include
- September 2011: Complete Enrollment Validation
- June 2011: You've Done A Dependent Audit Now What?
- September 2010: Complete Enrollment: The Source of Cost Control
- March 2013: Why Cost Sharing is Not Working
- January 2013: Top 10 Do's and Don'ts of Data Warehousing
- July 2012: Are You Ready to Manage Your Health Plan Costs?
- January 2012: The Road to 100% Transparency

For More Information
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