

# Affordable Care Act-ive Transformation

*for Rotary de Tolosa*  
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\*This presentation is for informational purposes only and is not intended to be used for legal or tax advice.



# Patient Protection and Affordable Care Act (PPACA, 2010)

- ▶ Reform as widespread behavior modification, change
- ▶ Assistance for those with perceived need
- ▶ Responsibility for those with means to fulfill
- ▶ Today's scope: Individual(pre-Medicare) and group insurance



# 2010-2013 PPACA

## ▶ Assistance

- Preventive care, over age dependent eligibility, small group tax credit, Maximum Loss Ratio (MLR) rebates

## ▶ Responsibility

- Employer group compliance, e.g. W-2 reporting and notice of coverage options; premium tax and fees; tax increase for high earners



# 2014 Changes for Small Group

- ▶ Community Rating
  - One standard rate, regardless of risk; 3:1 max ratio
  - Age of spouse and age/number of kids relevant
- ▶ SHOP exchange/marketplace vs. off-exchange
  - Enhanced tax credits
  - Metallic classification, Essential Health Benefits
- ▶ Plan sponsorship decisions and compliance, e.g. waiting period



# 2014-2015 Changes for Large Group

- ▶ Employer Shared Responsibility
  - 4980H(a)"Pay" or 4980H(b)"Play"
- ▶ Compliance
  - Waiting period
  - Variable hour employee measurement
- ▶ Changes in plan design



# 2014 Changes for Individual Coverage

- ▶ Metallic classification, Essential Health Benefits
- ▶ Covered California marketplace vs. off-exchange
- ▶ Expansion of Medi-Cal, subsidized coverage
- ▶ Guarantee issue w/ no preexisting conditions; timing
- ▶ Individual Mandate



# Future PPACA: The Hat Rack

- ▶ 2016 Expansion of small group to 100
- ▶ 2018 Cadillac Tax
- ▶ Application of non-discrimination rules
- ▶ California



# PPACA Jeopardy

- ▶ Full-time equivalent
- ▶ Summary of Benefits and Coverage (SBC)
- ▶ Accountable Care Organization (ACO)
- ▶ Daily Double:
  - Minimum Essential Coverage vs.
  - Minimum Value Coverage vs.
  - Bronze plan





## My top non-government sources for PPACA information (twitter/website):

@emilybazar / @CAHealthReport / centerforhealthreporting.org

@healthreformGPS / healthreformgps.org

@PaulHouchens / @millimanhealth / healthcaretownhall.com

@commonwealthfnd / commonwealthfund.org

@sarahkliff / washingtonpost.com/wonkblog

@KaiserFamFound / @KHNews / kff.org

@CalHealthline / californiahealthline.org

Please feel welcome to contact me with any further questions:

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