



Key Health Care Reform Provisions That Take Effect in 2010

Clients and Friends:

June 21, 2010

The following list of 2010 Health Care Reform changes was taken from a "Key Provisions" table that can be found at <http://www.healthreform.gov/reports/keyprovisions.html>. Our list below is a bit shorter than the one posted on the health reform website - we have included only those items that have an effective date in 2010, either on a specific date in 2010 or with insurance contract renewals that occur on or following specific dates in 2010:

1. **SMALL BUSINESS TAX CREDITS**—Offers tax credits to small businesses to make employee coverage more affordable. Tax credits of up to 35 percent of premiums will be available to firms that choose to offer coverage. *Effective beginning calendar year 2010.* (Beginning in 2014, the small business tax credits will cover 50 percent of premiums.)
2. **NO DISCRIMINATION AGAINST CHILDREN WITH PRE-EXISTING CONDITIONS**—Prohibits new health plans in all markets plus grandfathered group health plans from denying coverage to children with pre-existing conditions. *Effective 6 months after enactment.* (Beginning in 2014, this prohibition would apply to all persons.)
3. **HELP FOR UNINSURED AMERICANS WITH PRE-EXISTING CONDITIONS UNTIL EXCHANGE IS AVAILABLE (INTERIM HIGH-RISK POOL)**—Provides access to affordable insurance for Americans who are uninsured because of a pre-existing condition through a temporary subsidized high-risk pool. *Effective in 2010.*
4. **ENDS RESCISSIONS**—Bans insurance companies from dropping people from coverage when they get sick. *Effective 6 months after enactment.*
5. **BEGINS TO CLOSE THE MEDICARE PART D DONUT HOLE**—Provides a \$250 rebate to Medicare beneficiaries who hit the donut hole in 2010. *Effective for calendar year 2010.* (Beginning in 2011, institutes a 50% discount on prescription drugs in the donut hole; also completely closes the donut hole by 2020.)
6. **EXTENDS COVERAGE FOR YOUNG PEOPLE UP TO 26TH BIRTHDAY THROUGH PARENTS' INSURANCE**—Requires new health plans and certain grandfathered plans to allow young people up to their 26th birthday to remain on their parents' insurance policy, at the parents' choice. *Effective 6 months after enactment.*
7. **HELP FOR EARLY RETIREES**—Creates a temporary re-insurance program (until the Exchanges are available) to help offset the costs of expensive premiums for employers and retirees for health benefits for retirees age 55-64. *Effective in 2010.*
8. **BANS LIFETIME LIMITS ON COVERAGE**—Prohibits health insurance companies from placing lifetime caps on coverage. *Effective 6 months after enactment.*
9. **BANS RESTRICTIVE ANNUAL LIMITS ON COVERAGE**—Tightly restricts the use of annual limits to ensure access to needed care in all new plans and grandfathered group health plans. These tight restrictions will be defined by HHS. *Effective 6 months after enactment.* (Beginning in 2014, the use of any annual limits would be prohibited for all new plans and grandfathered group health plans.)
10. **FREE PREVENTIVE CARE UNDER NEW PRIVATE PLANS**—Requires new private plans to cover preventive services with no co-payments and with preventive services being exempt from deductibles. *Effective 6 months after enactment.*
11. **NEW, INDEPENDENT APPEALS PROCESS**—Ensures consumers in new plans have access to an effective internal and external appeals process to appeal decisions by their health insurance plan. *Effective 6 months after enactment.*
12. **PROHIBITS DISCRIMINATION BASED ON SALARY**—Prohibits new group health plans from establishing any eligibility rules for health care coverage that have the effect of discriminating in favor of higher wage employees. *Effective 6 months after enactment.*
13. **HEALTH INSURANCE CONSUMER INFORMATION**—Provides aid to states in establishing offices of health insurance consumer assistance to help individuals with the filing of complaints and appeals. *Effective beginning in fiscal year 2010.*