Health Reform Timeline 2010 – 2020

New Programs:
- Temporary reinsurance program. Specific criteria apply; limited funding.
- National risk pool, small business tax credit.
- $250 rebate for Medicare members who reach the "donut hole."

Insurance Reforms:
- No lifetime dollar limits on essential benefits.
- Allowed restricted yearly limits on the dollar value of certain benefits.
- No coverage rescissions/cancellations (except for fraud or intentional misrepresentation).
- No cost-sharing obligations for preventive services in network.
- Must have dependent child coverage up to age 26.
- Enhanced internal and external appeal processes and requirements.
- No pre-existing condition exclusions for enrollees (under 19 years of age).

Insurance Reforms:
- New uniform coverage documents and standard definitions are developed (applicable 2012).
- Must meet minimum medical loss ratios.
- Rate requirements will be effective.

Medicare Reforms:
- Start of Medicare Advantage cost-sharing limits.
- Medicare beneficiaries who reach the donut hole to get a 50% discount on brand-name drugs.
- Primary care doctors and general surgeons practicing in underserved areas, such as inner cities and rural communities to get a 10% Medicare bonus.
- Medicare Advantage plans begin to control payments and freezes 2011 payments at 2010 level.

Other:
- Start of voluntary long-term care insurance program giving a cash benefit to help those with disabilities stay in their homes or pay nursing home costs; benefit starts 5 years after paying coverage fee.
- Increased funding for community health centers to provide care for many low-income and uninsured people.
- Excludes costs for over-the-counter drugs not prescribed by a doctor from being reimbursed through a HSA or FSA.
- Employers may report the value of health care benefits on employees’ W2 tax statements (optional for 2011 tax year/mandatory thereafter).
- Start of new annual fees on pharmaceutical manufacturing sector.

Coverage Mandates & Subsidies:
- New individual and employer coverage responsibilities.
- New individual affordability tax credits and expanded small business tax credits.

Health Insurance Exchange & Insurance Reforms:
- State individual and small group health insurance exchanges operational.
- Guaranteed issue, guaranteed renewability, modified community rating and minimum benefit standards ("essential benefits") plan effective.
- No more lifetime or annual dollar limits for essential benefits.
- No more excessive waiting periods.
- No pre-existing condition exclusions.
- New health plan disclosure and transparency requirements.
- New uniform insurance rating reforms.
- Provider Non-discrimination requirements.

New taxes on health insurers.

Medicaid and Medicare Reform:
- Medicaid expanded to cover low-income individuals under age 65 up to 133% of the federal poverty level — about $26,300 for a family of four.
- Minimum medical loss ratio of 85% required for Medicare Advantage plans.

Donut hole coverage gap in Medicare prescription benefit is fully phased out. Seniors continue to pay the standard 25% of their drug costs until they reach the threshold for Medicare catastrophic coverage.

Dependent child coverage up to age 26 is mandated.

Individuals making $200,000 a year or couples making $250,000 have a higher Medicare payroll tax.

Pre-existing condition exclusions are prohibited.

This Timeline is only a high level listing of the provisions within the Patient Protection and Affordable Care Act (ACA). Information contained herein is subject to change as regulations are issued and interpretation evolves. This document should not be considered to be legal guidance regarding ACA or its potential impact.

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