

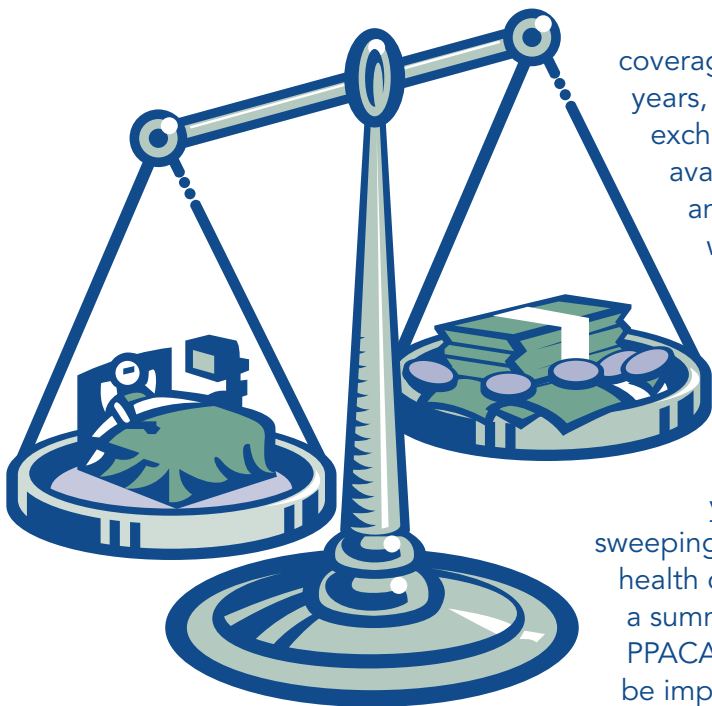


# BENEFITS TOOLBOX

GETTING THE MOST FROM YOUR MBA HEALTH PLAN

IN THE NEWS

## Health Care Reform: What Everyone Should Know Quality, Affordable Health Care for All Americans



coverage. In the next few years, health insurance exchanges will become available for individuals and small businesses without access to large group health plans. Tax credits and cost-sharing will help those who need assistance.

To help you understand these sweeping changes to our health care system, here is a summary of some of the PPACA provisions that will be implemented over the next few years—and how they may affect you.

### Improving Quality

- **Free preventive care** Plans must cover certain preventive services without charging a deductible, copay or coinsurance. Begins in October 2010 (in place since 2001 for all MBA Health Trust Regence plans).
- **Referrals/preauthorization not required for OB/GYN, pediatric or ER care** Begins in October 2010 (already in place

for all MBA Health Trust plans).

- **Access to voluntary long-term care coverage** The CLASS program provides cash benefits to adults who become disabled. Begins in 2012.
- **Wellness incentives offered** Employees may receive incentives for participation in wellness programs or for meeting certain health targets. Begins in 2014.

*Continued on page 2*

The Patient Protection and Affordable Care Act (PPACA) and subsequent reconciliation bill will provide health coverage to more than 95% of all Americans and may help control rising costs within the health care system. The PPACA includes many provisions, some that begin now and some that take effect by 2018.

Immediate changes help protect consumers from discriminatory practices toward people with pre-existing conditions and provide Americans with better preventive

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## Increasing Access to Affordable Care

- **Young adult coverage extended** Children up to age 26 may stay on their parents' plan, unless they are eligible for other group coverage. (Began in June 2010 for all MBA Health Trust plans).
- **Coverage for children with pre-existing conditions** Children up to age 19 cannot be denied coverage because of pre-existing conditions. Begins in October 2010.
- **Automatic annual enrollment** Current employees will not have to re-enroll in coverage, but may opt-out. Begins on or after 2014.

## New Consumer Protections

- **Lifetime caps eliminated** There will no longer be lifetime dollar limits on essential benefits, like hospital stays. Begins in 2014.
- **Annual maximums restricted** Yearly dollar limits for essential benefits will be limited in October 2010 and eliminated by 2014.
- **Appeals process standardized** It will become easier for consumers to appeal denied claims. Begins in October 2010.

## Lowering Costs

- **Tax credits for small businesses** Small businesses can receive tax credits to help them provide benefits to their workers. Phase 1 began in January 2010; phase 2 begins in 2014.

- **Cost reporting and rebates** Insurance companies must report annual results and provide rebates when claims are less than a certain percentage of premiums. Begins in the 2011 tax year.
- **Health plan value reported** The cost of medical, dental and vision plans will be included on employees' W-2 forms. Begins in the 2011 tax year.

There are many more features of the Patient Protection and Affordable Care Act (PPACA). To learn more, please visit the EPK Benefits website at [www.epkbenefits.com](http://www.epkbenefits.com) and click on Health Care Reform.

Note: Benefits and other terms in this summary are subject to future changes in response to the PPACA recently passed by Congress and/or PPACA-related rules and other guidance from federal and state regulators.

### HEALTHY REMINDERS

## New Plan Year Begins October 1, 2010

Any benefit selections made during Open Enrollment become effective October 1, 2010 and continue through September 30, 2011.

Each year, Open Enrollment is your opportunity to change your benefit choices, such as:

- Begin or discontinue enrollment in the Health Plan
- Change your current selection (if your employer offers more than one Health Plan option)
- Add dependents

### Make Sure Your Records Are Up-to-Date

If you've moved, or changed your name or marital status in the past year, be sure to provide your current information to your company's benefit representative. Your correct address and personal information are needed for timely claims payments and Health Plan communication.

Open Enrollment is also a good time to review your beneficiary choices for your Basic Life Insurance and Accidental Death and Dismemberment Insurance (AD&D) coverage. Contact your company's benefit representative to change your beneficiary at any time.

# Be Healthy and Wealthy

## Your Health Plan Covers Preventive Care

Many diseases and health conditions can be prevented or controlled if you work with your doctor to catch them early. That's why your Health Plan encourages you to seek preventive care that helps you and your family stay well.

One of the provisions of the health care reform is a requirement for "first dollar" coverage for preventive care benefits. That means your Health Plan must pay benefits for covered preventive care services with no deductible, copay or coinsurance required.

MBA Regence Health Plans have covered preventive care at 100% since 2001. This includes coverage for routine pediatric, gynecological and adult annual physicals, routine well-baby care, pediatric and adult immunizations, and routine cancer screening. These services are covered in keeping with generally accepted medical standards; refer to your Plan's benefit booklet for additional details.

### REGENCE/ASURIS MEMBERS

For Regence and Asuris Northwest Health members, no copay or deductible is required.

### Selection Plans (Regence Only)

- You should continue to see your Primary Care Provider for all preventive care; women can self-refer to a participating gynecologist for an annual exam.

- You do not need to pay the office visit copay for preventive care visits.

Please refer to the plan booklet for preventive care benefits covered under the Extended Network.

### Preferred Plans

- You may see any preferred provider for preventive care.
- You do not need to pay the office visit copay or any deductible for preventive care visits.

Please refer to the plan booklet for preventive care benefit payment levels for Participating providers.

### GROUP HEALTH MEMBERS

Currently preventive care is covered as follows:

- G-12—covered at the \$20 office visit copay.
- G-22—in-network deductible waived, but subject to a \$25 copay and coinsurance. Out-of-network preventive care not covered.
- G-32—in-network deductible waived, but subject to a \$30 copay and coinsurance. Out-of-network preventive care not covered.

Effective October 1, 2010, all Group Health plans will cover preventive care in-network at 100% (in accordance with Group Health's well-care schedule). Please refer to your Certificate of Coverage for extended network benefits.

# Employer's Guide to Health Care Reform

## Understanding Tax Credits and Grandfathered Plans

All of the plans offered through the MBA Trust will comply with the changes mandated by health care reform. If your company purchases medical, dental or vision insurance benefits through the MBA Trust, you will have a trusted partner to assist you every step of the way.

### The Small Business Tax Credit

This income tax credit will help small businesses that primarily employ low- or moderate-income workers and have found it cost prohibitive to offer medical benefits to employees. This tax credit is available for premiums paid in 2010 and is retroactive to January 1, 2010.

The tax credit may be up to 35% of employer-paid premiums that meet the following criteria:

- The business may employ up to 25 full-time employees



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*Benefits Toolbox* provides general information about MBA Health Insurance Trust benefits. For more information, please refer to your benefit booklet. In the event of conflicting information, the Plan documents and insurance contracts will govern.

*EMPLOYER'S GUIDE TO HEALTH CARE REFORM, continued from page 3*

- An employee's average annual wage must be less than \$50,000
- The employer must pay at least 50% of the employee premium cost
- The credit is on a sliding scale favoring businesses with 10 or fewer full-time employees and an average annual wage of \$25,000

All MBA Health Trust plans qualify. Please consult a tax professional for assistance to understand how specific regulations apply to your business.

### **Grandfathered Plans**

Health plans that were in effect on March 23, 2010, may choose to have grandfathered status, which means they may continue essentially as they are. However, certain health reform mandates do apply and specific regulations state how a grandfathered plan must maintain that status.

The biggest drawback to a grandfathered plan is its limited flexibility for employers who must evaluate their cost and benefit options each year. For example, if an employer wanted to move from a \$500 deductible plan to a \$1,000 deductible plan to reduce the premium, this change would

result in the loss of grandfather status. However, a change in deductible may be the only way an employer can afford to continue to provide health insurance to its employees.

After weighing the pros and cons, the MBA Trust has determined it will not seek grandfather status for current plans. All MBA Trust plans will comply fully with reform requirements going forward and the Trust will continue to offer a wide variety of plans at different benefit levels and price points.