

Immediate Reforms - Example Implementation Timeline

Preventive Care Changes – Insured Business

- Both healthcare reform bills require group health plans, and health insurance issuers for both group and individual policies, to provide coverage for specific preventive services without any cost sharing on consumers.
- The Senate provision is part of the package’s immediate reforms and thereby required for plan years beginning six months after enactment
- This is just one of numerous plan changes that will need to be implemented immediately or soon thereafter.
- The level of activity necessary to implement this change would take at least a year under reasonable timeframes.

Implementation Timeline – Preventive Care Changes¹

Activity	Description of Activity	Months following enactment												Dependencies		
		1	2	3	4	5	6	7	8	9	10	11	12			
A	Bill is signed	█														
B	Plans assess language & requirements	█	█													A
C	Plans develop/file contract language & rates		█	█	█											A
D	State DOIs review and approve contract language and rate filings ²				█	█	█	█								C
E	Plans/employers develop/finalize materials, web content and communications				█	█	█	█	█							D
F	Plans/employers print & mail materials and communications and update web content									█	█					D, E
G	Plans begin quoting new rates/renewals										█	█				D, F
H	Plans develop/finalize systems requirements					█	█	█	█	█						A, D
I	Plans program benefits									█	█	█				D, H
J	Plans test programming												█	█		I

Notes

- 1 Aggressive timeline assuming this provision can be implemented without Federal regulation
- 2 Volume of state filings will be unprecedented as all plans being sold in the market will need to be modified. Approval time could be longer in some cases.

Immediate Reforms - Example Implementation Timeline

Annual Limits – Regulation Required

- Both bills prohibit group health plans and health insurance issuers from having lifetime aggregate dollar limits on essential health benefits.
- Senate bill further restricts annual benefit limits to amounts determined by the Secretary for plan years beginning prior to full implementation of reforms.
- This is just one of numerous plan changes that will need to be implemented immediately or soon thereafter.
- The level of activity necessary to implement this change would take over a year under reasonable timeframes.

Implementation Timeline – Annual Limits¹

Activity	Description of Activity	Months following enactment														Dependencies
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	
A	Bill is signed	█														
B	Federal regulations finalized ¹	█	█	█												A
C	Plans assess language & requirements	█	█	█	█											B
D	Plans develop/file contract language & rates		█	█	█	█	█									B
E	State DOIs review and approve contract language and rate filings ²							█	█	█						D
F	Plans/employers develop/finalize materials, web content and communications							█	█	█	█					E
G	Plans/employers print & mail materials and communications and update web content										█	█				E,F
H	Plans begin quoting new rates/renewals											█	█			E,G
I	Plans develop/finalize systems requirements									█	█	█				B,E
J	Plans program benefits											█	█			E,I
K	Plans test programming												█	█		J

Notes

1 Assumes the Secretary issues regulations related to "immediate patient protections" utilizing the expedited approach of interim final regulations as opposed to allowing time for a comment period.

2 Volume of state filings will be unprecedented as all plans being sold in the market will need to be modified. Approval time could be longer in some cases.

Immediate Insurance Reforms

Current Benefit and Contract Provision Effective Dates and Implementation Requirements

Numerous provisions have to be implemented simultaneously

Description and Timing of Insurance Reforms			Requirements for Implementation									
Insurance Reform	Current Effective Date in Pending Bills ¹	Plans Subject to the Requirement	HHS Secretary Regs Required ²	NAIC (or State) Consultation	State Law &/or Reg Change	Rate Filings &/or Reg Change	Contract &/or App. Change	Member/Group Comm. Filings	New Business Rate Information	IT/Systems Changes	Web Content	Provider Communications
			No lifetime limits on coverage	6 months (S), at enactment (H)	All new issues (S), all plans (H)						?	✓
Restricted annual limits	6 months after enactment (S)	All new issues in all market segments	✓					?	✓	✓	✓	✓
Coverage for specific preventive services with no cost sharing	6 months after enactment (S)	All new issues in all market segments						?	✓	✓	✓	✓
Coverage for reconstructive surgery for children with congenital or developmental deformities	At enactment (H)	All plans in all market segments						?	✓	✓	✓	✓
Patient protections related to emergency services and designation of PCP (including OB/GYN and Pediatrician)	6 months after enactment (S)	All new issues in all market segments						?	✓	✓	✓	✓
No pre-existing exclusions for children under 19	6 months after enactment (S)	All new issues in all market segments						?	✓	✓	✓	✓
Reduce group pre-existing waiting periods from 12 to 3 months and from 6 month to 1 month lookback period	At enactment (H)	All plans in all market segments						?	✓	✓	✓	✓
Prohibit pre-x on conditions resulting from domestic violence	At enactment (H)	All plans in all market segments						?	✓	✓	✓	✓
Extension of dependent coverage to age 26 (S) and 27 (H)	6 months (S), at enactment (H)	All new issues (S), all plans (H)				S		?	✓		✓	✓
Restrictions on rescissions	6 months (S), 7/1/2010 (H)	All new issues (S), all plans (H)						?	✓		✓	✓
Appeals process	6 months after enactment (S)	All new issues in all market segments						?	✓	✓		✓
No discrimination in coverage or premium based on salary against lower paid employees	6 months after enactment (S)	All group health plans								✓		
No discrimination in coverage for early retirees vs. actives	At enactment (H)	All group health plans								✓		
Summary of coverage provided to applicants and enrollees, including uniform definitions of terms	24 months after enactment (S)	All plans in all market segments	✓	✓	✓				✓	✓	✓	✓
Ensuring the quality of care - reporting	Within 24 mos of enactment (S)	All new issues in all market segments	✓								✓	

Footnotes

- Generally, unless otherwise noted, the effective dates for the Senate provisions are for plan years for new insured and self-insured plans issued after the effective date noted in the chart. House provisions generally apply to group plans (both self-insured and insured) at the beginning of a plan year and for all new and existing Individual plans at enactment.
- It appears the provisions are more stringent than required by state laws and regulations so states could approve forms and rates per current state law. However, this would only be an approval for compliance with state law as there is no charge for enforcement transferred to states for compliance for Federal provisions as occurred with HIPAA and Medigap.
- These are the provisions where the bills requires the Secretary of HHS to issue regulations. Other provisions may require regulations to provide clarity as to the requirements.