

Health Care Reform Update

Many of the provisions of the health care reform law enacted in March of 2010 are starting to take shape. Below is a quick update on some of the impending provisions, including links to more detailed information on the provisions. As your trusted advisor, CORE Benefit Solutions will continue to follow these updates and share with you the information that we think is most pertinent.

Premium Rate Review

The Department of Health and Human Services has issued the final rule on the rate review process for health insurance carriers. The rate review applies to rates effective on or after September 1, 2011 for non-grandfathered plans in the Individual and Small Group markets. The rule requires review of rate increases above a certain threshold which is currently set at 10%. [CLICK HERE](#) for more details on the rate review process and the implications it may have for you.

Reporting the Cost of Employer-Sponsored Health Benefits on Employee W-2 Forms

The recently enacted health care reform law requires employers to include the cost of health coverage on W-2 forms in a new field starting with the 2012 tax year (W-2s filed in 2013). Employers who will issue fewer than 250 W-2 forms are exempt from this requirement until the 2013 tax year.

Guidance Released on Uniform Summary of Benefits Coverage

August 22, 2011, the Departments of Labor, Health and Human Services, and the Treasury released proposed regulations outlining the standards to be used by group health plans and health insurance carriers in compiling and providing a summary of benefits and coverage (SBC) and a uniform glossary of commonly used health insurance and medical terms. Starting March 23, 2012, health insurance carriers are required to provide a SBC to the Plan Sponsor upon application or request for information within seven days of the request. The 60 day public comment period for review and comment of the proposed regulations began on August 22, 2011. The new rules and standards are designed to enable plan participants to “easily understand their health coverage and determine the best health insurance options for themselves and their families.”

CORE Benefit Solutions will continue to follow the updates on this rule and send you information on the FINAL rule when it is published, including details on your responsibility as a Plan Sponsor. It is our understanding that an insurance carrier generally satisfies its obligations by providing the form to the Plan Sponsor (i.e., employer representative of a fully-insured plan), and therefore Plan Sponsors will need to confirm with the carrier whether it is delivering the notice directly to participants. CORE Benefit Solutions will assist you in confirming this with your carrier once the rule is final and final guidance is provided by the Departments.

[CLICK HERE](#) for more details on the Uniform Summary of Benefits Coverage.

This document is a summary of information gathered from a variety of sources. It is issued for informational purposes and is not intended to constitute as legal advice. Do not distribute or publish without first obtaining our permission.

Health Care Reform Update

Expanded Preventive Care Services for Women

The Department of Health and Human Services is adopting additional new guidelines for women's preventive services in addition to the preventive services that went into effect last year as part of health care reform. New private health plans must cover the additional guidelines on women's preventive services with no cost sharing in plan years starting on or after August 1, 2012. [CLICK HERE](#) for more details on the new preventive services that will be covered without cost sharing requirements.

Group Size Survey to Health Insurance Carrier Customers

Many carriers are sending surveys to customers of fully insured plans to determine the average number of employees they had in 2010 in order to help assess the carrier medical loss ratio. The health care reform law requires fully insured health plans to spend a certain amount of premiums on medical care and quality programs, and because the definition is based on the number of employees (not the number of people enrolled in or eligible for the health plan), many carriers are requesting this information from current clients. [CLICK HERE](#) to learn more about reporting of the medical loss ratio and the implications it may have for you.

For questions or to have a CORE representative contact you, please email info@corebenefitsga.com.

Core Benefit Solutions, LLC www.corebenefitsga.com 404.815.1566 toll free 1.866.435.6829