



**Los Angeles Association of Health Underwriters  
Public Affairs Committee  
Health Care Reform Questions - November 2010**

	<b>Carrier Questions</b>	<b>Individual Policies</b>		<b>Small Group Contracts</b>		<b>Large Group Contracts</b>	
		<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>
1	Will you offer two different sets of medical plans?  Grandfathered and non-grandfathered						
2	Will clients be required to meet PPACA requirements starting with their first anniversary following September 23, 2010?						
		<b>Small Group</b>		<b>Pooled Mid-Size</b>		<b>Large Group</b>	
3	How will employers be able to notify their employees of any plan changes 60 days prior to that change as required by PPACA if not all renewals are provided 90 to 120 days prior to the anniversary?  The reason for the 90 to 120 day notification; the employer will need some time to analyze the options and make their decisions.						
4	When will you provide the "uniform explanation of coverage" documentation?						
5	What are your base medical trends currently?						
6	Do you have a document we can use to explain the impact of PPACA to our clients plan costs?						
7	Will you be adding PPACA Preventive Benefits automatically upon renewal after 9-23-2010 even when not required if the employer is keeping their grandfathered status?						
8	Can an employer opt out of receiving PPACA Preventive Benefits for a reduction in their renewal pricing?						
9	Who do you interpret as determining the employer's grandfathered status, the carrier or the employer?						



10	If an employer upgrades benefits, under your policies does can an employer retain grandfathered status? Or does your policy show this as piercing grandfathered status?			
11	Do your grandfathered plans include preventive services at no cost sharing? If so, and an employer wishes to retain grandfathered status in subsequent years, how are these plans going to be differentiated?			
12	Are your rates the same for non-grandfathered and grandfathered plans?  If not, and a client is currently with your company, can we request quotes for upgraded plans with grandfathered rates?			
13	How are you segregating your pools? Do you intent to pool grandfathered plans with non-grandfathered plans?			
<b>Questions Specific To Small Group</b>			<b>Yes</b>	<b>No</b>
1	If a company offers "All Plans" and currently all of the employees are enrolled in plans A and B and a new hire who is now eligible for coverage wants to enroll in plan C, will that end the grandfathered status for all employees?			
2	Given the same question as number 1 above does the answer change if plan C has higher or lower deductibles, coinsurance or out of pocket costs?  Will the new hire on plan C receive grandfathered status?			
3	The employer (Sole Proprietorship) offers "All Plans". The owner is enrolled on the lowest deductible PPO plan, all other employees are enrolled on a higher deductible plan, does this create a discrimination situation for the owner?			
4	The business pays 75% of the employee premium and zero for dependents. How will the insurance company track if the owner is paying 75% or 100% of his own premium?  If the owner is paying 100% of his own premium does this create a discrimination scenario?			
5	If the employee handbook clearly defines 3 classes of employees and clearly defines the percentage of premium paid by the employer for each class of employee, do we have a discrimination situation?			



<b>Questions Specific To Individual Policies</b>		<b>Please Advise</b>	
1	<p>If a minor child (under the age of 18) with a pre-existing condition applies for coverage, does that child receive a tier 1 rate or will the carrier be allowed to charge a higher premium?</p> <p>What regulatory agency has the responsibility for making this decision?</p>		
		<b>Yes</b>	<b>No</b>
2	Does the federal healthcare bill specify that all carriers who currently offer individual plans in a specific market must offer coverage to minor children under age 18 prior to 2014?		
	<b>General PPACA Questions</b>	<b>Yes</b>	<b>No</b>
1	<p>For non-grandfathered plans will employers be required to contribute the same dollars for all plans offered.</p> <p>(i.e., HMO versus PPO) in order to comply with 105(h) rules?</p>		
2	If an employer currently offers Kaiser and Anthem Blue Cross, if they are forced to move all employees to Kaiser as Anthem BC has issued a non-renewal will this cause the employer to lose their grandfathered status?		
3	If an employer currently offers a limited medical plan to their fulltime employees, if they change the plan to an indemnity plan are they not required to comply with the current annual and life time limits in addition to the medical loss ratio requirement?		
4	What would cause the Department of HHS to not accept an employer's limited medical plan waiver?		
5	<p>Will the employer be required to potentially have different benefit values when reporting on their 2011 W-2?</p> <p>For example if an employee drops or adds a dependent mid-year, a new employee starts mid-year, etc.</p>		
6	<p>Does allowing someone who is promoted into a plan jeopardize the grandfathered status of that plan?</p> <p>(i.e., Someone is promoted and now qualifies for the Exec-U-Care plan).</p>		
7	If an employer changed their carrier under a fully insured plan for an anniversary of 4-1-10 did they lose their grandfathered status?		
8	If the carrier, not the employer increases deductibles, coinsurance and out of pocket cost sharing in excess of the PPACA limits for a plan at renewal, would the plan lose		



	grandfathered status?		
9	Under PPACA with the required 90-day eligibility for benefits, would 1st of the month after 90 days no longer be allowed since this could possibly mean waiting up to 119 days?		
10	Who do you interpret as determining the employer's grandfathered status, the carrier or the employer?		
11	Do the new 105(h) non-discrimination rules apply to benefits and contributions?		
12	In the State of California if a child under age 26 is put back on their parent's medical but is not a dependent of the employee (i.e. no longer a full time student, no longer claimed on their taxes, etc.) can the contribution for their medical still taken on a pre-tax basis?		