



Patient Protection and Affordable Care Act and Part-Time Workers

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ACA Mandates

- Prohibits lifetime and annual dollar limits on essential benefits
- Requires dependant coverage up to age 26
- Eliminates pre-existing condition exclusions for children under 19
- Prohibits rescission of plan coverage





No Lifetime or Annual Limits

SEC.2711 PPACA [Replaced by section 10101(a)]

(a) Prohibition –

- 1) In General – **A group health plan** and a health insurance issuer offering group or individual health insurance coverage **may not establish –**
 - (A) **lifetime limits on the dollar value of benefits** for any participant or beneficiary; or
 - (B) **except as provided in paragraph (2)**, annual limits on the dollar value of benefits for any participant or beneficiary.





No Lifetime or Annual Limits

SEC.2711 PPACA [Replaced by section 10101(a)]

(a) Prohibition –

- 2) **Annual Limits Prior to 2014** – With respect to plan years beginning prior to January 1, 2014, **a group health plan** and a health insurance issuer offering group or individual health insurance coverage **may only establish a restricted annual limit** on the dollar value of benefits for any participant or beneficiary with respect to the scope of benefits that are essential health benefits under section 1302(b) of the Patient Protection and Affordable Care Act, **as determined by the Secretary**. In defining the term ‘restricted annual limit’ for purposes of the preceding sentence, **the Secretary shall ensure that access to needed services is made available with a minimal impact on premiums.**





Reduced Benefit Plans

Examples of Current Annual Limits

\$10,000

\$20,000

\$50,000

\$200,000





Restricted Annual Limits Permissible Prior to 2014

Plan Years

September 23, 2010 – September 22, 2011	minimum \$750,000
September 23, 2011 – September 22, 2012	minimum \$1,250,000
September 23, 2012 to December 31, 2014	minimum \$2,000,000





Waiver Authority of the Secretary

For plan years beginning before January 1, 2014, the Secretary may establish a program under which the requirements of the regulation relating to annual limits may be waived (for such period as is specified by the Secretary) for a group health plan or health insurance coverage that has an annual dollar limit on benefits below the restricted annual limits provided in the regulation **if compliance with the regulation would result in a significant decrease in access to benefits under the plan or health insurance coverage or would significantly increase premiums for the plan or health insurance coverage.**





The Waiver Process

A group health plan ... may apply for a waiver ... if such plan or the coverage offered by such issuer was offered prior to September 23, 2010

Plan year begins between
September 23, 2010 and September 22, 2011

submit application:

**at least 30 days before
beginning of plan year**

Plan year begins before
November 2, 2010
(October 1st or November 1st)

submit application:

**at least 10 days before
beginning of plan year**





The waiver application must include:

1. The terms of the plan or policy form(s) for which a waiver is sought;
2. The number of individuals covered by the plan or policy form(s) submitted;
3. The annual limit(s) and rates applicable to the plan or policy form(s) submitted;





The waiver application must include:

4. **A brief description of why compliance** with the interim final regulations **would result in a significant decrease in access to benefits** for those currently covered by such plans or policies, along with any supporting documentation;
5. **An attestation, signed by the plan administrator** or Chief Executive Officer of the issuer of the coverage, certifying 1) that the plan was in force prior to September 23, 2010; and 2) that the application of restricted annual limits to such plans or policies would result in a significant decrease in access to benefits for those currently covered by such plans or policies.





Collective Bargaining Options

- Bargain to maintain existing part-time workers' benefits through 2013
- Require employer to purchase health coverage for part-time workers through state Exchanges, effective January 1, 2014
- Establish employer subsidy to assist part-time workers to purchase coverage through state Exchanges





Questions



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