

Health Insurance Reform Bill Implementation Timeline

Patient Protection and Affordable Care Act (H.R.3590) – Signed into law March 23, 2010.

Health Care and Education Affordability Reconciliation Act of 2010 (H.R.4872) – Signed into law March 30, 2010.

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| This Year | <ul style="list-style-type: none"> • Ends pre-existing condition denial of coverage for children up to 19 years old. • Insurance companies must allow children and young adults to stay on parent’s health plan through age 26. • Temporary national high-risk pool for people with pre-existing conditions denied coverage; premium limited to \$5,950 individual and \$11,900 family. • Prohibit individual and group plans lifetime limits on the dollar value of coverage and prohibit insurers from rescinding coverage except for fraud. • First funding to states to establish health insurance exchanges by 2014. • Develop standards for providing information on insurance benefits and costs, insurance company compliance with standards by 2012. • Medicare Part D Enrollees in “donut hole” get \$250 rebate. • Excise tax of 10% on indoor tanning services. • First grants to states to establish office of ombudsman to serve as advocate for people with private coverage in individual and small group market. • Certain preventive services provided at no cost under new health plans. |
| January 1, 2011 | <ul style="list-style-type: none"> • Part D Enrollees in “donut hole” get 50% discount on brand name drugs. • Rebates to consumers from plans that do not use 85% (large group) or 80% (individual/small group market) of premium on clinical or quality services. • First availability of additional \$11 billion in funding to community health centers and National Health Service Corps over the next five years. • Medicare Advantage rates cut most likely resulting in loss of additional benefits, cuts to plans phased in over seven years. |
| January 1, 2013 | <ul style="list-style-type: none"> • Medicare payroll tax on unearned income of 3.8% on investment income for families making more than \$250,000 a year or \$200,000 for individuals. • Require collection and reporting of data on race, ethnicity, sex, primary language, disability status, and for underserved rural and frontier populations. |
| January 1, 2014 | <ul style="list-style-type: none"> • Ban on pre-existing conditions for adults implemented. • Individual mandate enacted; penalty phased in starting at \$95 in 2014 and rising to \$695 (\$2,085 for family) after 2016 with exemption for financial hardship (lowest plan cost exceeds 8% income), undocumented, American Indians, religious objection, or without coverage less than 3 months. • Employers with more than 50 employees must provide health insurance or pay a fine of \$2,000 per worker each year, excluding the first 30 workers. • Employers with 200 or more employees must enroll employees in health insurance plan (no opt-outs). • State-based health insurance exchanges established. • Subsidies to individuals between 133%-400% federal poverty level (FPL) limiting premium paid to no more than 3% to 9.5% of income. • All persons under 133% FPL (\$29,327 for family of four) receive Medicaid with 100% of costs for new enrollees paid by federal government. • Prohibit individual and group health plans from placing annual limits on the dollar value of coverage. |
| January 1, 2015 | <ul style="list-style-type: none"> • Funding to states to establish exchanges ends. |
| January 1, 2017 | <ul style="list-style-type: none"> • 100% coverage of state costs for new Medicaid enrollees ends. |
| January 1, 2018 | <ul style="list-style-type: none"> • Excise tax of 40% on insurance plans worth over \$27,500 for families and \$10,200 for individuals. |
| 10 Years (2019) | <ul style="list-style-type: none"> • Cost of \$940 billion, deficit reduction of \$143 billion. • Coverage for 32 million (6-8 million Hispanics). |
| January 1, 2020 | <ul style="list-style-type: none"> • Ends donut hole for Medicare Part D. |