

# Clay County Renewal 12-2014

	Plan		
	400		
	current		
Deductible	\$250		
Coinsurance	80%		
Coinsurance Limit	\$2,000		
Office Visit Copay	\$20		
ER Copay	\$90		
RX			
Generic	\$10		
Brand	\$20		
Non-Formulary	\$35		
	rate with life insurance	rate increase including life insurance	increase 6.1%
Employee Only	\$906.66	\$959.92	\$53.26
Child(ren)	\$484.52	\$509.44	\$24.92
Spouse	\$792.50	\$836.20	\$43.70
Child(ren) + Spouse	\$1,215.46	\$1,284.96	\$69.50

Life Insurance BCBS	\$4.64
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# FREQUENTLY ASKED QUESTIONS ABOUT GRANDFATHERED HEALTH BENEFIT PLANS

TEXAS ASSOCIATION of COUNTIES  
HEALTH AND EMPLOYEE BENEFITS POOL

## What is a "grandfathered plan" ?

Grandfathered health plans under the Patient Protection and Affordable Care Act (PPACA), are those existing without major changes to their provisions since March 23, 2010, the date PPACA was signed into law.

## What makes a non-grandfathered plan different?

Grandfathered plans do not have to comply with several PPACA requirements, including those listed below, which Non-grandfathered plans must include:

- Provide coverage for preventive care without member cost-sharing (no co-pays, deductibles, or coinsurance). There are over 60 services included in this requirement, including annual wellness visits for all ages, age and gender appropriate immunizations and screenings, and contraceptive services for women – for a listing see the found at <http://www.healthcare.gov/what-are-my-preventive-care-benefits>
- Limitations on out-of-pocket maximum amounts
- External review of appeals: a member who contests the denial of a service recommended by his/her medical provider can request an appeal by a federally appointed external review board; the cost of this appeal is charged to the plan
- Coverage for out-of-network emergency services at no additional cost over in-network cost
- Coverage of routine costs associated with clinical trials

## What causes a plan to lose grandfathered status?

Changing the balance of employer and employee share of costs as follows:

- Increase co-pays by more than \$0 or a percentage equal to medical inflation (currently 9.5%) plus 15%, whichever is greater.  
Example: If the out-of-pocket maximum of 2010 is \$10,000, it should be increased to \$10,950 (plus) without losing grandfathered status
- Increase deductible or maximum out-of-pocket amounts by more than a percentage equal to medical inflation (currently 9.5% plus 15%, whichever is greater).  
Example: If the deductible is \$1,000 and the out-of-pocket maximum is \$10,000, the grandfathered status is lost if the deductible is increased to \$1,095 and the out-of-pocket maximum is \$10,950. *Note that these are non-standard amounts for TAC-EBP plans.*
- Decrease percentage of employer cost-share by any amount.  
Example: If the employer's share of the insurance rate in 2010 is 20%, it should be no less than 18.5% without losing grandfathered status.

- Lower the employer contribution rate by more than 5% for any group of covered persons  
*Example: if the employer paid \$1000 per month toward the cost of employee and spouse coverage in March of 2010, it could decrease the contribution to no less than \$950 without losing grandfathered status*
- Add or reduce an annual dollar limit (overall or for a specific service).  
*Example: if the plan had no limit on charges for physical therapy services in March of 2010, it could not impose a \$5000 per year maximum on them without losing grandfathered status*

### **What plan changes can be made which will not cause the plan to lose grandfathered status?**

- Changing insurer or third-party administrator, as long as benefits don't change
- Changing from self-insured to fully-insured, as long as benefits don't change
- Increasing benefits, including adding a wellness program
- Passing along premium increases, as long as cost-sharing percentages remain the same
- Adding a coverage tier (such as employee + 1 child), as long as cost-sharing percentages are consistent with other tiers and stay within the 5% guidelines
- Moving drugs to a different copay tier because the drugs have become available as generic
- Changing provider networks, as long as benefits don't change
- Changes required by law

#### **ADDITIONAL NOTES:**

- Because of the additional coverage requirements and reduction of employee cost share required by PPACA, changing from grandfathered to non-grandfathered status will likely result in a rate increase. For TAC HEBP groups, this increase is estimated at 1.5 - 2%.
- Under the current regulations, there is no specific end date for grandfathered status.
- Plan changes are measured cumulatively since March 2010.
- Plans must include a notice about grandfathered status in significant participant communications, such as enrollment materials and summary plan descriptions.
- Majority of TAC HEBP member counties still have grandfathered plans.
- All plans on the TAC HEBP Private Exchange are non-grandfathered.

