

Legislative Highlights

March 2014



BlueCross BlueShield
of Texas

Federal Government Releases Final Rule on Employer Shared Responsibility

On Feb. 10, 2014, the Internal Revenue Service released its [final rule](#) on the Employer Shared Responsibility provisions of the Affordable Care Act (ACA).

Highlights from the new guidance include the following:

- Exempts employers with between 50 and 99 full-time employees from the shared responsibility penalty until 2016, if the employer provides an appropriate certification and meets certain conditions.
- To avoid a penalty in 2015, employers subject to the mandate must offer coverage to 70 percent of their full-time employees or risk penalties for failure to offer coverage to all full-time employees and dependents.

To avoid a penalty in 2016, employers subject to the mandate must offer coverage to 95 percent of their full-time employees (and dependents).*

*Note: This rule applies whether the failure to offer coverage is intentional or unintentional. However, this rule does not shield the employer from the penalty for offering inadequate coverage if any of the full-time employees, including those who are not offered coverage at all, receive a premium tax credit or cost-sharing subsidy for purchasing coverage through the Health Insurance Marketplace.

Federal Government Releases Final Rule and Separate Proposed Rule on 90-day Waiting Period

The U.S. Departments of Health and Human Services, Labor and the Treasury released a [final rule](#) on Feb. 20, 2014, on the 90-day waiting period provision of the Affordable Care Act. The provision mandates that health insurance coverage be made available to “otherwise eligible” employees and their dependents no later than 90 calendar days from an employee’s eligibility date.

The federal agencies also released a separate proposed rule on what constitutes a “reasonable and bona fide employment-based orientation period” related to meeting a plan’s substantive eligibility conditions for the 90-day waiting period.

We are currently reviewing the final rule and [proposed rule](#) and will provide more information as it becomes available.

Health Care Reform Overview Charts Available

New Health Care Reform Overview Charts provide a summary of the major Affordable Care Act (ACA) provisions in an easy-to-read format. These charts include effective dates, a brief description of the provisions, and their applicability based on market segment, grandfathering status and funding type.

Two versions have been created:

- [Individual and Small Group \(1-50\) Plans](#)
- [Large Group \(51+\) Plans](#) — includes information for both fully insured and self-insured plans



These charts are for informational purposes only and do not include all ACA provisions and regulations. The information provided is subject to change. Please note that the charts were published in January; we will be updating them soon to provide the latest information on the 90-day waiting period provision and Employer Shared Responsibility. Clients should consult their own legal counsel and tax professionals to ensure that they comply with the law.

Updated Open and Special Enrollment FAQs on Marketplace Available

We have recently released updated [frequently asked questions](#) about open and special enrollment on the Health Insurance Marketplace. We removed information that was not relevant now that the Marketplace has launched and added information about switching plans after enrolling.

Among the questions answered in the FAQs:

- When does coverage on the Marketplace take effect?
- If a person is covered as an individual in the Marketplace, can he decide to drop his Marketplace coverage?
- If a person has employer-provided coverage, can he seek coverage on the Marketplace?
- How will ACA affect COBRA eligibility?

SBC Fee Announcement for ASO Foreign Language Translations Request – Reminder for ASO Groups 151+

As part of the Summary of Benefits and Coverage (SBC) request process, foreign language translations are available upon request. We wanted to remind you that, as of July 1, 2013, the RR Donnelley (RRD) invoiced fees plus a flat \$350 translation processing fee will apply to all ASO accounts requesting SBC translations. All charges will be applied to the account's monthly Billing and Accounts Receivable System (BARS) bill.

Based on the language selected, the RRD invoiced fee ranges will vary:

WORD COUNT RANGE: LOW-HIGH*	LOW WORD COUNT SBC	HIGH WORD COUNT SBC
Spanish: 2,223-2,846 words per file	\$241	\$293
Chinese: 2,071-2,843 words per file	\$295	\$379
Navajo: 2,546-2,991 words per file	\$936	\$1,087
Tagalog: 2,546-2,988 words per file	\$417	\$477

*Please note the range of invoiced fees may vary based on word count per file. The above ranges are based on low and high word counts from previously submitted translation requests.

Example: XYZ Group has two SBCs — one PPO and one HMO. The PPO SBC is requested in Spanish and Chinese; the HMO is requested in Spanish.

PPO: Spanish Range: \$241 - \$293; Chinese Range: \$295 - \$379

HMO: Spanish Range: \$241 - \$293

The group will be billed for each request (two Spanish and one Chinese) plus a flat \$350 translation processing fee if the requests are submitted together. **Please note:** If the requests are submitted separately, then a \$350 processing fee per individual request will apply.

SBC Revisions

For translations already in process, or for those that have been completed, the RRD invoiced fees plus a flat \$350 translation processing fee will be charged.

The RRD invoiced fee for revisions is \$150 per request. The above word count fees will not be applied on translation revisions.

Example: XYZ Group has three SBCs, two PPO and one HMO. XYZ Group decides that the two PPO SBCs require translation revisions. Because both SBCs are submitted at the same time, XYZ Group will be charged a total of \$500 (a flat \$150 revision fee, plus a flat \$350 processing fee).

XYZ Group decides that the one HMO also requires translation revisions. Because this request is submitted separately at a later date, XYZ Group will be charged a total of \$500 (a flat \$150 revision fee plus a flat \$350 processing fee).

Note for all requests/revisions: If the requests are submitted separately, then a \$350 processing fee per individual request will apply.

Translation Request Process

Groups must coordinate the process with their account executive. Foreign language translations are only available in Spanish, Chinese, Navajo and Tagalog, and delivery time frames will vary based on the foreign language requested.

SBC Translation Guidance for Fully Insured Groups 151+

The Summary of Benefits and Coverage (SBC) regulations require that the SBC be provided in a culturally and linguistically appropriate manner. The regulations require group health plans and issuers to make certain accommodations for SBCs sent to an address in a county meeting a threshold percentage of people who are literate only in the same non-English language. This threshold percentage is set at 10 percent or more of the population residing in the member's/prospect's county, as determined on American Community Survey (ACS) data published by the U.S. Census Bureau.

Currently, language literacy requirements include the following languages: Spanish, Chinese, Tagalog and Navajo.

Per the regulation, the U.S. Department of Health and Human Services has published the list of counties that meet or exceed the 10 percent threshold to determine if translations are required and can be requested.

SBC Print and Mail Fee Increase for ASO Accounts – Reminder for ASO Groups 151+

This is a reminder that the cost for printing and mailing the Summary of Benefits and Coverage (SBC) for ASO accounts **is \$1.50 per SBC. The pricing for print and mail services went into effect on July 1, 2013.** Please refer to the following update when requesting printing and mailing services.

SBC Printing and Mailing Requests

Blue Cross and Blue Shield of Texas' (BCBSTX) preferred method for distributing SBCs is to provide the SBCs to the employer groups who will then provide them to participants and beneficiaries. However, if an ASO group requests that BCBSTX mail SBCs to a member's home, the group must coordinate the process with their account executive. Upon approval of the final SBC, all requests require five-to-seven business days to complete processing and shipment.

SBCs will be mailed first-class via the U.S. Postal Service. A cover letter will be attached to the SBC. All charges will be applied to the account's Billing and Accounts Receivable System (BARS) bill.



Pre-existing Condition Exclusions FAQs Now Available in Printed Version

The pre-existing condition exclusions FAQs that previously ran as a newsletter article is now also available as a [flier](#) that you can print. The FAQs provide an overview of the pre-existing condition exclusion provision of the Affordable Care Act.

Stay Informed about ACA – What You Need to Know

We have been updating our 2014 Affordable Care Act communications materials—and developing new pieces—to help you stay on top of what is happening this year.

As a reminder, we recently rolled out these new items:

- [Health Care Reform Overview Charts Individual and Small Group \(1-50\) Plans](#)
- [Health Care Reform Overview Charts Large Group \(51+\) Plans](#)
- [Pre-existing Condition Exclusions FAQs](#)

We have also recently updated these materials, to keep the information current:

[2014 ACA Timeline](#)

[Marketplace Open and Special Enrollment FAQs](#)

[Health Insurance Marketplace Fact Sheet](#)

Updates that are coming soon include:

Small Business Health Options Program (SHOP) FAQs

90-Day Waiting Period Implementation Update

Women's Preventive Services Fact Sheet

This communication is intended for informational purposes only. It is not intended to provide, does not constitute, and cannot be relied upon as legal, tax or compliance advice. The information contained in this communication is subject to change based on future regulation and guidance.