



WEDNESDAY, JUNE 23, 2010

HEALTH CARE REFORM UPDATE

NEW INTERIM FINAL RULES ISSUED FOR PATIENT PROTECTION AND AFFORDABLE CARE ACT:

PROVISIONS ADDRESSED INCLUDE: ANNUAL AND LIFETIME LIMITS, PRE-EXISTING CONDITION EXCLUSIONS, RECISSIONS AND ACCESS TO PROVIDERS

On Tuesday, June 22, 2010, the U.S. Department of Health and Human Services, U.S. Department of Labor, and U.S. Department of the Treasury (combined "The Departments") issued interim final regulations" (IFR) for the implementation of the Patient Protection and Affordable Care Act (PPACA)'s prohibitions on annual and lifetime limits, pre-existing condition exclusions, and rescissions, as well as its requirements for allowing access to providers. To help you understand these rules – which have been dubbed the, "Patient's Bill of Rights" – our partners at the Washington, D.C.-based law firm Steptoe and Johnson have prepared a memo which is available to you on our website at the following link:
<http://www.trion.com/healthreform/documents/2010.06.23.PPACA.June22InterimFinalRules.Memo.pdf>

The issuance of the new IFR comes at a critical time for employers as you begin preparations for your 2011 annual enrollments. As your partner, we are committed to working closely with you to understand how your plan designs are impacted and what steps you are required to take to comply with this legislation. A few key highlights of the IFR are:

- **Restricted Annual Limits:**
The Departments opted to phase out annual limits on essential benefits, rather than immediately eliminating them, starting with plan years that begin on or after September 23, 2010.
- **Ban on Lifetime Limits:**
Lifetime limits on essential benefits are prohibited beginning with plan years starting on or after September 23, 2010. Notices and special enrollment opportunities are required for individuals who reach a lifetime limit prior to the ban beginning and who are otherwise still eligible for the plan.
- **Ban on Pre-Existing Condition Exclusions:**
In addition to outlining the details of requirements for plan years beginning on or after September 23, 2010, the IFR specifies that the ban on pre-existing condition exclusions applies to current enrollees as well as those who apply for enrollment, meaning plans cannot deny either enrollment or specific benefits based on pre-existing conditions.
- **Ban on Rescissions Except in Cases of Fraud or Intentional Material Misrepresentation**
- **Access to Certain Providers:**
The IFR imposes new requirements relating to the choice of a health care provider, and requirements related to emergency services. Note that these provider access requirements do not apply to grandfathered plans.

If you are interested in viewing the rules in their entirety, please visit:
http://www.federalregister.gov/OFRUpload/OFRData/2010-15278_PI.pdf

As always, we hope you find this information helpful and invite you to review past issues of our *Health Care Reform Update* at <http://www.trion.com/healthreform>. Please continue to share your questions and comments by emailing us at health.reform@trion.com or calling **610.945.1198**. Thank you.