

**Patient Protection and Affordable Care Act (ACCA) of 2010 –
Highlights of Changes for 2015**

Grandfathered Status

The BGSU health care plan's (medical and prescription) Plan A is "grandfathered health plans" under the Affordable Care Act. As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted in 2010. Being a grandfathered health plan means these plans may not include certain consumer protections of the Affordable Care Act that apply to other plans; for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act; for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the benefits staff in the Office of Human Resources via email at benefits@bgsu.edu.

Health Insurance Exchanges (marketplace)

The new individual mandate states that an individual must either be covered under an employer's plan or buy individual insurance (in or outside the state exchange/marketplace), or pay a tax of the greater of \$95 per person or 1% of household income. The Notice is also included in this website.

Summary of Benefits and Coverage (SBC) and Universal Glossary

The federal Affordable Care Act requires this concise four-page summary document detailing simple and consistent information about your health plan benefits and coverage. The summaries for 2015 are revised from 2014 to include statements that the two medical options offered at BGSU provide minimum essential coverage and meet the minimum value requirement. The SBC and the Universal Glossary are located at the BGSU Human Resources website in the Benefits Section.

If you wish to have a printed copy of the documents, you can request one via email at benefits@bgsu.edu and it will be mailed to your home address.

W-2 Reporting of Employer-Sponsored Health Coverage

The Affordable Care Act requires employers to report the cost of your health care coverage under an employer-sponsored group health care plan on the W-2s for calendar year 2014. This reporting on your W-2 does not mean that the coverage is taxable to you. The value of the health care coverage (medical and prescription coverage) will be reported in Box 12 with Code DD to identify the amount. The amount will include the portion that you as the faculty and/or staff member pay and the portion that BGSU pays for you.

Medicare Tax

Effective January 1, 2013, an additional Medicare tax of 0.9% applies to wages, tips, other compensation, and self-employment income in excess of \$200,000 for single taxpayers. Unlike the current Medicare tax that is shared between employees and employers, the additional Medicare tax is paid solely by employees, but the employer is required to withhold and pay it to the IRS.

Comparative Effectiveness Research

By July 31, 2014, BGSU **paid \$2 per member** (all covered lives under the medical plan) to fund comparative effectiveness research of medical treatments by the new, nonprofit Patient Centered Outcomes Research Institute.

Transitional Reinsurance Fee

This fee is established in each state to help stabilize premiums for the individual exchanges and will be assessed for three years. It requires BGSU to provide an enrollment count (total covered lives under the medical options) to the Department of Health and Human Services (HHS) by November 15, 2014. HHS will invoice BGSU \$63 per participant covered by BGSU medical options. The estimated cost is \$283,500.

Highlights of Changes for Plan Year 2015

1. Introduction of a new medical plan, to replace the 2014 Plan B. The new Plan B is a high deductible health plan (HDHP) with a Health Savings Account (HSA).
2. The prescription drug vendor will change from Express Scripts to CVS/Caremark.
3. Dependent audit is being conducted by a third party vendor
4. Dental plan – eligibility for dependent children is expanded to be the end of the calendar year in which they turn 24. You no longer have to submit proof that they are a full time student between the ages of 19 and 24.