# Government Regulation of Health Plans in House Healthcare Reform Bill

## Internal Revenue Service

**NEW INDIVIDUAL MANDATES**
- Tax on individuals
- Reporting and disclosure to other agencies
- Tax penalties & enforcement

**NEW EMPLOYER MANDATE**
- Election Process
- Penalty of 8% of wages for non-election
- New penalties for noncompliance

**EXISTING AUTHORITIES**
- Enforcement for HIPAA, Mental Health Parity, Genetic nondiscrimination
- Tax provisions

## Department of Labor

**NEW REQUIREMENTS**
- Election process or 8% of wages penalty
- New enforcement provisions

**EXISTING PROGRAMS**
- ERISA
- COBRA
- Health care portability
- Privacy, Mental Health Parity, Genetic Non Discrimination
- Benefit Requirements
- Claims Processing Requirements
- Enforcement Authorities

## State Insurance Regulators Licensure, Accreditation

**EXISTING REQUIREMENTS**
- Guaranteed renewal
- Rating
- Preexisting conditions
- Non-discrimination
- Quality improvement and reporting
- Benefit mandates
- Solvency and financial requirements
- Market conduct
- Prompt pay
- Appeals and grievances
- Privacy/Confidentiality
- Licensure/Accreditation
- Antitrust
- Benefit plan material/information
- Consumer protection
- Fraud and abuse

## Health Insurance Exchange Trust Fund/Treasury

**TAXPAYER**

**PARTICIPANT**

**EMPLOYERS**

**Ombudsman**

## Health Choices Administration and Commissioner

### Health Insurance Exchange

**INDIVIDUAL AFFORDABILITY**
- Applications and forms
- Income determinations
- Establish income tiers
- Administer credits

**ACTIVITES/ REQUIREMENTS**
- Employer contribution or 8% fee
- Rules for improper steering
- Bids, negotiations, contracts
- Outreach and enrollment
- Benefit package levels
- Culturally/ linguistically appropriate
- Medicaid/CHIP/Medicare interface
- Coordination of risk pooling
- Essential community providers
- Grievance/complaints
- External appeals
- Surveys, data collection, reporting
- Sanctions/coordination authority

**NEW REQUIREMENTS FOR QUALIFIED HEALTH BENEFIT PLANS**
- Defines service & premium ratings areas
- Establishes grace period for existing plans
- Preexisting conditions*
- Guaranteed issue and renewal *
- Insurance ratings rules
- Limited age variation categories
- Variation by family enrollment rules
- Standards for nondiscrimination in benefits
- Standards for network adequacy
- Minimum medical loss ratio
- No limits on coverage unrelated to clinical appropriateness*
- Marketing standards
- Standards for internal claims and appeals
- Standards for transparency and disclosure
- Transparency of reimbursement arrangements
- Provisions on timely payment of claims
- Standards for coordination and subrogation
- Examination and audits
- Standardization of terms

**State/Regional Exchanges/Compacts**

**HHS Run Exchange Plan**
- Administrative contracting
- Data collection
- Premiums and financing
- Provider participation
- Medicare or other rates
- New payment initiatives
- Fraud and abuse

**Exchange QHBP & CO-OPs**

**Federal & State Employer QHBP**

**Current Federal & State Employer Plan**

**Current Employer Self Insured Plan**

**Current Employer Fully Insured Plan**

**Employer Self Insured QHBP**

**Employer Fully Insured QHBP**

**Retiree Reinsurance Program**

**Health Benefits Advisory Committee**

**Non Employer Plan**

**Small Business Credits/Smaller Penalties**

**State Attorney General Actions Based on New Provisions**

**State Agencies**

**Medicaid CHIP**

## Health and Human Services

**NEW REQUIREMENTS FOR QUALIFIED HEALTH BENEFITS PLANS**
- Essential benefits & services
- Limits on cost-sharing
- Cost-sharing and copayments*
- Actuarial value
- Basic, enhanced, premium and plus plans
- Application of Medicare rates in public plan
- Provider opt out in public plan

**NEW REQUIREMENTS/PROVISIONS FOR HEALTH PLANS**
- Prohibition on use of personal characteristics
- Prohibits preexisting conditions*
- Guaranteed issue and renewal *
- Medical loss ratio
- Administrative simplification
- Requirements for rescissions
- Reinsurance program for retirees

**EXISTING REQUIREMENTS/PROVISIONS**
- HIPAA Benefit Mandates
- HIPAA Privacy/ARRA Privacy
- Mental Health Parity
- Genetic Information Nondiscrimination Act
- Medicaid/CHIP
- Medicare

**Prepared by Leading Edge Policy & Strategy, LLC on behalf of the U.S. Chamber of Commerce**

Reflects Division A of H.R. 3962 as Introduced