

June 11, 2010
Health Care Reform Stakeholder Forum
Question and Answer Session

Q: How do the state and federal dependant coverage laws work together?

A: Federal law requires health plans and health insurers that offer dependant coverage make coverage available under the plan until a child reaches age 26. Health insurers and health plans subject to state law must provide coverage or offer the parent the opportunity to purchase coverage for the child from age 26 until age 28, at which age the coverage extension ends.

Q: How does a company know if it qualifies for the reinsurance program?

A: Employer-sponsored retiree health plans that have applied and been accepted into the program can apply for reimbursement of actual claims paid on behalf of a retiree. The statute requires evidence that the employer-sponsored plan has implemented programs and procedures to generate cost-savings with respect to participants with chronic and high-cost conditions and documentation of the actual cost of medical claims involved. The regulations provide additional details for the submission of claims.

Q: Does the state dependant coverage law allow for a special enrollment period for dependants, or will they need to wait until their open enrollment period at any point after July 1, 2010?

A: No. There is no special enrollment period for dependants. The change in law will go into effect on July 1, 2010. Older dependant coverage is available upon plan renewal after this date.

Q: Will the small business tax credit be enough of an incentive to encourage small employers with fewer than 25 employees to continue to offer health coverage?

A: It is estimated that 12% of small businesses will qualify for the small business tax credit. There is already a tax benefit to employers who offer health coverage to their employers.

Q: Regarding the small business tax credit, is \$50,000 the average salary only, or is it salary plus benefits?

A: To qualify, the average annual salary of its employees for the year must be less than \$50,000 per full time employee.

Q: Are you aware of any outreach to small employers explaining this tax credit?

A: Forums such as the one held on June 11 are just one way we are trying to reach out to small employers, as well as providing information on the website www.healthcarereform.ohio.gov. In addition, the IRS sent out a letter to small employers who qualified for this provision when it was released.

Q: Now that we are approaching July 1, what information do we have on the actual premium amount being charged to families of young adults who opt to stay on their family policy?

A: While the panel was not aware of cost averages, they did provide an example of the State of Ohio's additional cost to families at an estimated \$150 a month per additional older age dependant.

Q: Is there any discussion in the Ohio legislature regarding changing Ohio's dependant coverage requirement to align with federal law?

A: No. There have not been discussions about changing Ohio's dependant coverage law to align with the federal law because both law changes have yet to be implemented.

Q: Our consultant is currently applying for early retiree reinsurance benefits. They have proposed a 15% service charge or fee and we are wondering if this excessive?

A: Yes. The rate seems excessive. The panelists recommended taking another look into the situation.

Q: When will Ohio start work on the insurance exchange and what might it look like?

A: We will begin working on the exchange in 2011. We will use the HCCQC to obtain stakeholder input. We will recommend a state-based exchange to HHS due to Ohio's strong and competitive insurance market.

Q: My health insurance premiums total \$34,000 a year because I had a spouse and child with cancer. Will I get any relief?

A: If you have coverage, you should keep it. Even those with pre-existing conditions must be uninsured for at least six months in order to obtain coverage through the temporary high-risk pool. The portions of the reform that go into effect in 2014 should result in more affordable coverage for those with pre-existing conditions.

Q: When will more information on the temporary high-risk pool be available? Who will run it in Ohio? How will individuals apply?

A: We are reviewing the applications now. At this time, we do not know who the provider will be. Once the provider has been chosen, logistics, including how Ohioans can apply, will be announced.

Q: Every recipient in our fund pays at the family rate. How would a fund like ours charge off an additional 260 lives of older dependants?

A: Employers are required to charge all dependants the same rate based on federal law.

Q: If a Medicaid patient has cancer and needs to see a specialist in another state can they do so?

A: We will have someone from Medicaid provide a response by email. No one from Medicaid was available at this forum.