



NATIONAL ASSOCIATION OF INSURANCE AND FINANCIAL ADVISORS

FOR MORE INFORMATION
CALL INSURANCEDEPOTFL
954-975-3677



NEW NATIONAL HEALTH INSURANCE LAW

5 THINGS TO KNOW FOR 2010 (Revised 4/20/10)

1. DEPENDENT COVERAGE EXTENDED TO AGE 26 (BEGINNING WITH PLAN YEARS ON OR AFTER SEPTEMBER 23, 2010)

- (a) Dependent children must be covered until the child reaches age 26. This includes married dependent children but does not include the spouse or grandchildren
- (b) Grandfathered plan may exclude such dependent children if they are eligible for coverage under another employer-sponsored plan
- (c) Dependent age extension applies only to medical plans

2. NO LIFETIME LIMITS (BEGINNING WITH PLAN YEARS ON OR AFTER SEPTEMBER 23, 2010)

- (a) No lifetime dollar limits on the value of "essential benefits"
- (b) Lifetime limit prohibition does NOT apply to non-essential benefits
- (c) Grandfathered plans may not receive this benefit change until their next scheduled renewal date
- (d) Prohibition on lifetime limits applies only to medical plans

3. NO PRE-EXISTING CONDITION EXCLUSIONS FOR DEPENDENT CHILDREN (BEGINNING WITH PLAN YEARS ON OR AFTER SEPTEMBER 23, 2010)

- (a) Prohibits pre-existing condition exclusions on children under the age of 19
- (b) Prohibition of pre-existing condition exclusions for adults takes effect in 2014
- (c) Prohibition on pre-ex applies only to medical plans

4. NEW RETIREE REINSURANCE (BEGINNING JUNE 23, 2010)

- (a) New program to encourage employers to maintain benefits to retirees over 55 and not eligible for Medicare
- (b) Program will reimburse employer-provided health plans for 80% of certain costs of providing health insurance to early retirees
- (c) Reimbursement applies only to claims that exceed \$15,000 but are no greater than \$90,000

5. SMALL BUSINESS TAX CREDIT (EFFECTIVE NOW)

- (a) Must cover at least 50 percent of the cost for workers, pay average annual wages below \$50,000 and have less than the equivalent of 25 full-time workers (i.e. a firm with fewer than 50 half-time workers would be eligible)
- (b) Tax credit worth up to 35 percent of the premiums (25 percent for nonprofits)
- (c) Full credit is available to firms with average wages below \$25,000 and less than 10 full-time equivalent workers
- (d) Phases out gradually for firms with average wages between \$25,000 and \$50,000 and equivalent of between 10 and 25 full-time workers

Consult with your NAIFA advisor for more information.

Copyright © 2010 National Association of Insurance and Financial Advisors (NAIFA). All rights reserved. The health insurance law discussed in this document is new, untested and presents various questions with unknown answers. NAIFA tries to provide helpful and current information to its members, but the accuracy and timeliness of this information is not guaranteed. This document does not constitute legal, tax, insurance, financial or any other professional advice by NAIFA or any other individual or entity, and must not be relied on as such advice for any reason. This document is intended only to give general summarized information about the topics addressed as NAIFA understands them at the current time. NAIFA reminds its members that it is their responsibility to ensure that the manner in which they solicit and sell insurance and other financial products, and the advertising and sales materials they use, comply with applicable state, federal and regulatory requirements, and the compliance rules of the insurance and other financial companies they represent. If in doubt about compliance issues, check with your company. NAIFA disclaims all liability for any claims or damages that may result from the use of this document or its content.