



Contract Administration

TO: Executive Board *DS*
FROM: Deborah Stayman, Health Benefits Specialist
DATE: 7/27/2011
RE: "Grandfathered" vs "Non-Grandfathered" Status

To honor President Obama's pledge that Americans can keep their current plans if they like them, Congress included a "grandfather" provision applicable to plans in effect before March 23, 2010.

To be "grandfathered," a plan must meet several requirements, including:

- a. It existed on March 23, 2010.
- b. It must not eliminate all or substantially all benefits to diagnose or treat a particular condition.
- c. Employers cannot change the percentage of co-premiums it pays by more than 5 percentage points.
- d. Deductibles cannot be increase by more than medical inflation (5-6% in recent years) plus 15%.
- e. Co-pays cannot be raised by more than \$5 or medical inflation plus 15% (whichever is greater).
- f. All these increases are CUMULATIVE NOT ANNUAL. If a plan increases the co-pay from \$5 to \$10 one year, it will lose grandfathering if it ever raises the copay again.
- g. If a plan is fully-insured and pursuant to a collectively bargained agreement signed prior to March 23, 2010, the plan will remain grandfathered until the agreement expires.

The Empire Plan met these requirements and has been considered a grandfathered plan. If the Executive Board votes to send the tentative agreement to the general membership for a ratification vote, and the members vote to ratify the contract, the changes in the Empire Plan will cause the Plan to become "Non-Grandfathered" with a proposed effective date of 10/1/11. As a Non-Grandfathered plan, the Empire Plan must provide preventive services with no copay **when received from a Participating Provider** as described in the United States Preventive Services

Task Force A and B recommendations

(<http://www.uspreventiveservicestaskforce.org/uspstf/uspsabrecs.htm>), the Advisory Committee on Immunization Practices (ACIP) under the Centers for Disease Control and Prevention (CDC) (<http://www.cdc.gov/vaccines/recs/schedules/downloads/adult/adult-schedule-bw.pdf>) and the HRSA Guidelines, including the American Academy of Pediatrics *Bright Futures* Periodicity Schedule (<http://brightfutures.aap.org/pdfs/AAP%20Bright%20Futures%20Periodicity%20Sched%20101107.pdf>). The preventive services are listed in the following table.

Coverage under the Federal Patient Protection and Affordable Care Act (PPACA) for Non-Grandfathered Plans

The following is a summary of preventive services covered with no copay when received from a Participating Provider as described in the United States Preventive Services Task Force A and B recommendations, the Advisory Committee on Immunization Practices (ACIP) under the Centers for Disease Control and Prevention (CDC) and the HRSA Guidelines, including the American Academy of Pediatrics *Bright Futures* Periodicity Schedule (see related article on this page).

Service	Current Benefit	New Benefit Effective 1/1/12
Yearly Preventive Medicine Visits	Covered subject to copay	No copay
Adult immunizations	Influenza, Pneumococcal, Measles, Mumps, Rubella, Varicella, Tetanus Toxoid, Human Papilloma Virus (HPV), Meningococcal Meningitis and Herpes Zoster (Shingles) covered subject to copay.	Influenza, Pneumococcal, Measles, Mumps, Rubella, Varicella, Tetanus Toxoid, Human Papilloma Virus (HPV), Meningococcal Meningitis and Herpes Zoster (Shingles) vaccines covered at no copay. NOTE: Copay does apply to Herpes Zoster (Shingles) vaccine for ages 55 to 59. Hepatitis A and B covered under certain conditions. See additional details at http://www.cdc.gov/vaccines/recs/schedules/downloads/adult/adult-schedule-bw.pdf
All members at appropriate ages or risk status:		
-Screening for colorectal cancer, elevated cholesterol and lipids	Covered subject to copay	No copay
-Screening for certain sexually transmitted diseases and HIV	Covered subject to copay	No copay
-Screening and counseling for alcohol abuse in a primary care setting, tobacco use, obesity, diet and nutrition	Covered subject to copay	No copay
-Screening for depression	Covered subject to copay	No copay
-Screening for high blood pressure	Covered subject to copay	No copay
-Screening for diabetes in those adults with high blood pressure	Covered subject to copay	No copay
Women's Health:		
-Genetic counseling and evaluation for genetic testing for BRCA breast cancer	Covered subject to copay	No copay

gene		
-Screening mammography for breast cancer beginning age 40	Covered subject to copay	No copay
-Screening for cervical cancer, including Pap smears	Covered subject to copay	No copay
-Screening for gonorrhea, Chlamydia, syphilis	Covered subject to copay	No copay
-Screening pregnant women for anemia and iron deficiency, bacteriuria, hepatitis B virus, Rh incompatibility and certain sexually transmitted diseases	No copay	No copay
-Instructions to promote and aide with breast feeding	No copay	No copay
-Osteoporosis screening for individuals at risk (age 60 or older)	Covered subject to copay	No copay
-Counseling women at high risk of breast cancer for chemoprevention	Covered subject to copay	No copay
Men's Health		
-Screening for abdominal aortic aneurysm in men 65-75 years old who have ever smoked	Covered subject to copay	No copay
Children		
-Screening newborns for thyroid disease, phenylketonuria (PKU), sickle cell anemia	No copay	No copay
-Counseling for fluoride treatment	No copay	No copay
-Screening for major depressive disorders	No copay	No copay
-Hearing screening	No copay	No copay
-Visual acuity screening for children younger than 5	No copay	No copay
-Developmental and autism screening	No copay	No copay
-Screening for lead and tuberculosis	No copay	No copay

Additional Changes Due to the Federal Patient Protection and Affordable Care Act (PPACA)

Service	Old Benefit	Effective 1/1/11
Annual physical exam by non-par provider	\$250 annual maximum	Reimbursed at 100% up to the R&C Charge.
Routine newborn services performed by a non-par provider	\$150 maximum	Reimbursed at 100% up to the R&C Charge
Non-network physical medicine services	\$1,500 annual maximum	Annual maximum eliminated
Dependent coverage	Dependents covered under age 19 or over but under age 25 if full-time students	Dependents covered up to age 26 under parent's health plan
Service	Old Benefit	Effective upon loss of grandfather status
Services performed by a non-par specialty physician in a hospital emergency room	Subject to annual deductible and coinsurance	Eliminates deductible, still subject to coinsurance
Preventive care services	Subject to copays	Eliminates copays for preventive care services performed by par providers

