



STERLING HSA®



WHAT'S HAPPENING WITH HEALTHCARE REFORM IN 2010 AND BEYOND?

Below is a high level timeline for healthcare reform implementation over the next several years. We'll update it as more information on how the legislation will impact the industry and our clients becomes available. We frequently post information about healthcare reform on our Facebook page at www.Facebook.com/SterlingHSA. Become a Sterling Fan and access healthcare reform news and articles.

2010

- Eligible dependents may be covered until age 26 (6 months after enactment)
- Individuals previously uninsurable will have market access (90 days after enactment)
- Qualifying small employers may receive tax credit for plan sponsorship filed at the end of the year on the business tax return unless they are a tax-exempt firm (6 months after enactment)
- Eliminate pre-existing condition limitations for new coverage for children (6 months after enactment)
- Eliminate annual and lifetime internal plan maximums (6 months after enactment)

2011

- Rebates and credits and discounts for Medicare Part D plan holders (2011 and later years)
- Carriers must meet expense ratios and pay rebates when not met
- Over the counter drugs will no longer be eligible under FSA, HRA, or HSA
- Employers must show the premium value of coverage on employee W-2
- New "Simple" Cafeteria Plans may be written to avoid discrimination testing
- New Long Term Care coverage will go into effect
- 10% excise tax increased to 20% for non-qualified expenses from HSA

2013

- Maximum allowance for a Cafeteria Plan health expenses is \$2,500
- Additional Medicare taxes on investment income and higher brackets
- Taxes on health carriers, medical device manufacturers and drug companies

2014

- Employers with 50 or more full-time employees must "pay (penalty) or play (coverage)" - fine is \$2,000 per year per full-time employee if health insurance coverage isn't offered
- Most Americans must also "pay or play" with acceptable coverage levels
- Health Insurance Exchanges (multi or single state pools) will be created as an additional market opportunity, joined by the private plans with which they will still compete

Contact your Sterling HSA sales representative, if you have questions. Visit www.SterlingHSA.com for information on Sterling or go to www.Facebook.com/SterlingHSA for news about healthcare reform.

