



## BENEFIT NEWS BRIEFS

### *Final Regulations On 2016 Reinsurance Fee, Out-Of-Pocket Maximums and EHBs*

The Department of Health & Human Services (HHS) annually releases a Notice of Benefit and Payment Parameters ("Notice") and recently released the final [2016 Notice](#). This Notice contains guidance on the *Affordable Care Act (ACA)* marketplace plans and other ACA requirements that affect employer-sponsored group health plans, including self-funded plans, such as multiemployer group health plans. We reported on the proposed 2016 Notice in [Benefit News Briefs 2015-05](#).

Of special interest are the final 2016 reinsurance fee amounts, the reinsurance fee submission process and state essential health benefits ("EHB") changes.

#### **The Reinsurance Fee and Submission Process**

The following proposed changes, among others, were finalized:

- Reducing the 2016 reinsurance fee to \$27 per covered life (the fee was \$67 in 2014 and is \$44 in 2015).
  - Allowing the reinsurance contribution to be paid in one payment or two separate payments.
  - Noting that for Plans wishing to make two separate payments for 2016 coverage, the January 15, 2017 payment will be \$21.60 and the November 15, 2017 payment will be \$5.40.
- Affirming the reinsurance fee submission process generally already in effect:
  - Enrollment counts are to be submitted to HHS by November 15 of the year for which contributions are due in 2014, 2015 and 2016.
  - Reinsurance contributions be remitted by January 15 and November 15 of the following year (in 2015, 2016 and 2017).

For both deadlines, if the due date is not a business day, the deadline will be the next business day.

## **Out Of Pocket Maximums For 2016**

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The following was adopted as proposed:

- Changing the 2016 out-of-pocket (OOP) maximums for non-grandfathered plans to \$6,850 for "self-only coverage" and \$13,700 for "other than self-only (family) coverage" (in 2015 the OOP limits are \$6,600 for self-only coverage and \$13,200 for other than self-only coverage). OOP maximums are called "cost-sharing" limits. "Cost-sharing" includes deductibles, coinsurance, copayments, or similar charges, and any other expenditure required for EHBs covered under the plan.

## **Essential Health Benefits**

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The following changes and clarifications were adopted as proposed:

- EHB coverage for pediatric services should continue until the end of the plan year in which the enrollee turns 19 years of age.
- Allowing each State to select a new EHB base-benchmark plan for the 2017 plan year. HHS would allow States to choose a 2014 plan. State benchmark plans set the EHBs for ACA marketplace plans but are also used by employer-sponsored plans to designate which benefits under the plan are EHBs. While self-funded plans are not required to cover EHBs, such plans cannot impose annual limits on EHBs. Thus, most self-funded plans have chosen a state EHB benchmark plan against which to measure their coverage so as not to violate the ACA's rule against annual limits on EHBs. *Accordingly, multiemployer plans that selected a state EHB benchmark plan to measure its annual limits against may wish to reevaluate its choice of state benchmark plans in the future.*
- Establishing a uniform definition of "*habilitative services*" (a category of EHBs) that may be used by States and issuers. Defining habilitation services clarifies the difference between "*habilitative*" and "*rehabilitation services*." Both definitions were modified to reflect the statute by including "devices" as covered items under each type of service. Again, employer-sponsored group health plans do not have to cover EHBs, but where they do they may not impose an annual limit. This change may affect self-insured group health plans by affecting the state benchmark plan.
  - *Habilitative services, including devices, are provided for a person to attain, maintain or prevent deterioration of a skill or function never learned or acquired due to a disabling condition. The proposed definition of habilitation is "health care services that help a person keep, learn, or improve skills and functioning for daily living. Examples include therapy for a child who is not walking or talking at the expected age. These services may include physical and occupational therapy, speech-language pathology and other services for people with disabilities in a variety of inpatient and/or outpatient settings."*

- *Rehabilitation services*, including devices, on the other hand, are provided to help a person regain, maintain or prevent deterioration of a skill or function that has been acquired but then lost or impaired due to illness, injury, or disabling condition.

Numerous Research Department publications are available on these ACA topics and can be found in the [Topical Index](#) at pages 25-35.

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