

What the Patient Protection and Affordable Care Act (PPACA) Means for Workers: At-A-Glance Fact Sheet

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The goal of the PPACA is to increase access to health care. As of January 1, 2014, PPACA (health care reform):

- Requires most **individuals** to have minimum essential **health coverage** or pay a penalty. The NTCA GHP medical plans meet the minimal essential coverage requirements.
- Establishes **health insurance exchanges** (also called marketplaces) in each state to allow individuals without employer health coverage to purchase their own insurance.
- Provides tax credits (**subsidies**) for low-income individuals to pay for coverage through the health insurance exchange.
- Requires **employers** with 50 or more employees to pay a penalty if they do not provide **affordable coverage** of minimum value to full-time employees. (Enforcement delayed until January 2015.)
- Expands health coverage for adult **children to age 26** on their parents' plan.
- Requires coverage of **preventive services** with no cost sharing such as co-pays and deductibles.
Prevents health plans from denying or charging more for coverage because of an individual's **pre-existing condition**.
- Limits **waiting periods** on health plans to no more than 90 days.
- Eliminates **lifetime and annual limits** for essential health benefits.
- Prevents health plans from **dropping an eligible individual's coverage** except in cases of fraud or non-payment.
- Broadens the **appeal process** for health coverage determinations and claims.
- Requires health plans to provide a **summary of benefits and coverage** offered, including examples and a glossary of terms commonly used in health insurance.
- Allows health plans to increase **wellness incentives** from 20% to 30% of plan costs (or up to 50% if appropriate).
- Disallows reimbursement for **over-the-counter (OTC) drugs** from health savings accounts (HSAs), health reimbursement arrangements (HRAs) and health flexible spending accounts (FSAs).
- Limits to **\$2,500** the amount of money an individual can contribute to a **health FSA**.
- Increases the **Medicare payroll tax** for high-income individuals.
- Requires large employers to report the cost of an individual's health care coverage on their **W-2 form**.

Note: This fact sheet highlights the main provisions of the PPACA that affect workers. The law contains other provisions affecting Medicare, employers, insurance companies and health plans like the NTCA Group Health Program (GHP). Visit www.healthcare.gov for more information. NTCA benefits resource specialists are available to assist GHP participants and NTCA members at 828-281-9000, Monday- Friday, from 9 a.m. to 8 p.m. ET.

The content for this fact sheet was adapted from information provided by the International Foundation of Employee Benefit Plans.