

Heard on the Net

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ACA Sign-Ups Expected To Reach Record High, Becerra Says - Enrollment in Affordable Care Act marketplaces is on pace to set a new record, Health Secretary Xavier Becerra told Axios on Tuesday, with subsidies that Congress renewed through 2025 softening the blow of premium increases.

Long Covid Costs Patients An Average \$9,000 A Year In Medical Expenses - Long Covid has affected as many as 23 million Americans to date and it's poised to have a financial impact rivaling or exceeding that of the Great recession. By one estimate, the chronic illness will cost the U.S. economy \$3.7 trillion, with extra medical costs accounting for \$528 billion.

California Stockpiles Penalties From Uninsured Residents Instead of Lowering Care Costs- California is collecting hundreds of millions of dollars a year in tax penalties from uninsured residents. The state was supposed to use the money to help lower costs for Californians who couldn't afford insurance but hasn't distributed any of the revenue it has collected — citing uncertain economic times.

California Teaming Up With Civica Rx To Make Insulin: - California plans to partner with Civica Rx, a nonprofit generic drug company, in the state's effort to produce its own low-cost insulin, according to two people familiar with the matter who spoke to NBC News.

HSAs at the Midpoint of 2022 - "The number of accounts grew from 32.5 million to 33.9 million during the first half of 2022.... The average HSA has a balance of about \$3,000.... About half of all HSAs have a balance of \$500 or less (including nearly 20% of accounts with no balance) ... Through the first half of this year, 30% of all contributions ... came from employers.... Only about 7% (less than 2.5 million) of all HSAs hold invested balances."

Rules to Remember About the Interaction Between COBRA and Medicare - "[1] Entitlement means enrollment.... [2] The effective date of Medicare is key, not the application date.... [3] Medicare enrollment before (but not on or after) termination of employment/reduction in hours extends COBRA.... [4] Medicare enrollment is almost never actually a qualifying event.... [5] Medicare enrollment after COBRA enrollment can end COBRA early for that person only."

Minimum Essential Coverage Reference Chart (PDF) - "This 5-page chart is a reference tool that lists whether various types of coverage are considered MEC and whether eligibility for that coverage makes an individual ineligible for premium tax credits (PTC) in the marketplace."

IRS Releases Final Rule on ACA 'Family Glitch' and Allows Employers to Make a Cafeteria Plan Change - "If an employer plan's family tier premiums are high, adopting these changes may cause a decrease in enrollment in the plan, -which can impact employer costs and claims experience. Additionally, if the employee's family obtains coverage on the exchange while the employee remains on the employer's plan, the family would potentially have increased costs with multiple deductibles and maximum out-of-pocket limits."

No Surprises Act Prevents More Than 9 Million Surprise Bills Since January 2022 (PDF) - "During the first three quarters of 2022, there were an estimated 9 million NSA eligible claims, or about 0.5% of all commercial claims. Of these, 275,000 claims were submitted to IDR for dispute resolution. Health plans have received a total of 110,000 IDR batches."

Surprise Billing Final Regs Issued (PDF) - "The final regulations focus on ... [1] The factors that an IDR entity should consider when making a payment determination as part of the IDR process; [2] The requirements for an IDR entity's written decision; and [3] The disclosures by plans and issuers regarding the qualifying payment amount (QPA) to address 'downcoding'.... The final regulations are applicable with respect to items or services provided or furnished on or after October 25, 2022, for plan years beginning on or after January 1, 2022."

How Employers Can Dispel Common Myths About HSA-Qualified Plans - "The biggest barrier to HDHP and HSA adoption is education.... By communicating the value of your benefits offering and educating your staff on how your HSA-qualified plan can benefit them long-term, you can boost engagement during open enrollment and motivate your employees to explore and take advantage of their options. Here are some actionable steps you can take."

IRS Guidance Expands Access to ACA Premium Tax Credit, Allows Cafeteria Plan Sponsors to Permit Employees to Revoke Family Coverage Mid-Year - "Some employers may experience cost savings by allowing this mid-year change to drop family members ... However, it is also possible that participants who found employer-based coverage for family members unaffordable simply never enrolled their family members, and employers will see no cost savings."

Navigating the Family Glitch Fix: Hurdles for Consumers with Employer-Sponsored Coverage - "Navigating Marketplace eligibility and enrollment requirements is complicated even without the new rules on the family glitch. This Issue Brief looks at some of the challenges consumers can expect to face in deciding whether to take advantage of the family glitch fix."

ICHRAs: An Innovative Alternative to Traditional Plans - "Instead of trying to accommodate all employees with a few plans, employers can offer ICHRAs to defined classes of employees. That provides more freedom and flexibility to employees while stabilizing costs for employers and allowing them to offer coverage to employees that otherwise wouldn't be feasible.... ICHRAs can offer advantages and cost savings over other options, including multiple carriers and networks, expanded plan designs, copays and deductibles, and a more predictable budgeting process."

New Pharmacy and Healthcare Plan Reporting Deadline Approaches - "Employers with fully insured plans through a single insurance carrier and self-funded plans with only one TPA ... should be able to rely on their vendors for most of their reporting, but they must enter into a written agreement with the carrier and should seek confirmation that the report has been submitted, requesting proof of submission for recordkeeping purposes.... Employers with self-insured plans should confirm which of the required data files their TPA and/or PBM will report, obtain written confirmation of those obligations, and retain proof of those submissions by the vendor for recordkeeping purposes."

ACA Numbers and Limits 2014-2023 (PDF) - Chart includes detailed breakdown of applicable dollar limits for: [1] Applicable Large Employer (ALE) Shared Responsibility Penalty (IRC Section 4980H, Forms 1094-C and 1095-C); [2] Premium Tax Credits (IRC Section 36B, Form 8962); [3] Group Health Insurance Reforms (IRC Section 9815 & Section 4980D, Form 8928); [4] Qualified Small Employer Health Reimbursement Account (QSEHRA) Contribution Limits (IRC Section 9831(d)); [5] Health Savings Accounts (IRC Section 223, Form 8889).

2023 Premium Tax Credit Quick Reference Chart (PDF) - 11 pages. "[1] Locate line where estimated 2023 household income & household size intersect. [2] First column shows household percentage of Federal Poverty Line. [3] Second column shows percent of household income required as contribution towards purchase of second lowest cost Silver coverage in Marketplace. [4] 'CSR AV' column shows resulting Actuarial Value after Cost Sharing Reductions applied. [5] 'Monthly contribution' = contribution percent x household income, divided by 12."

Despite TPA's Contractual Obligation, Employer May Still Be Liable for COBRA Notice Violation - "The district court rejected the employer's argument that it had made a good faith effort to provide the employee with a COBRA election notice by instructing the TPA to send the notice to the employee's last known address....The court determined that delegating the task of sending the notice to the TPA did not insulate the employer from liability for failing to provide the employee's updated address to the TPA.... In contrast, the court dismissed the employee's claims against the TPA."

Things You Might Have Wrong About the Self-Funded Health Insurance Market - "In the current employee benefits environment, with a tight labor market and rising healthcare costs, self-funding can be a considerable option, particularly for those looking for more control over benefits and costs.... Misconception one: It is only for large employers or corporations.... Misconception two: It's too expensive or there's too much risk.... Misconception three: Coverage isn't the same.... Misconception four: It's too complex."