

EmblemHealth recently sent out the following communication regarding upcoming changes to Emblem plans beginning October 1, 2010:

eNewsFlash
FOR BROKERS


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Important Changes to Health Benefits Plans Beginning October 2010

Effective October 1, 2010, EmblemHealth small group products for both new and renewing small groups and sole proprietors will incorporate provisions related to the recently enacted **HealthCare Reform Act**. You and your groups will receive more details about these plan changes through further EmblemHealth communications, and you can also visit www.emblemhealth.com for the latest Health Care Reform information.



Health Care Reform: Making Reform Work

To Demonstrate Our Commitment to Making Reform Work:

- We are working hard, on your behalf, to refresh our health benefits plans to ensure all groups fully incorporate the provisions of the new federal law.
- We are offering a range of cost-effective products to better manage rising health care costs.

How Will My Plans Change?

Health care reform will bring changes to health care coverage. The Patient Protection and Affordable Care Act (PPACA), also known as the Affordable Care Act or the [health care reform law](#), has a 10-year implementation period. Below you will find some important changes we are making to EmblemHealth's group plans upon the group's renewal anniversary. Many groups have already met or exceeded these health care reform provision requirements, even before the legislation was passed:

1. Annual and lifetime dollar limits on network coverage are eliminated.
2. Pre-existing condition limitations are waived for enrollees under age 19 (end of month).
3. Dependents may remain on their parents' health plan until age 26 (end of month).
4. There is no cost-sharing for preventive care services.

5. Copays and coinsurance for emergency room services are the same whether obtained in network or out of network.

A Tax Credit Opportunity

Please note that for certain employers with fewer than 25 employees, the law presents an opportunity for a tax credit of up to 35 percent of an employer's contribution toward his or her employees' health insurance premiums. This credit is in addition to the credit an employer already receives. For more information about this tax credit, please visit www.emblemhealth.com/reform/.

Coverage Options

Various changes in benefits have an impact on your premium. If you are interested in making changes to your plan, EmblemHealth offers a range of coverage choices for your small group clients, including flexible pharmacy and benefits designs and cost-sharing options designed to meet all budget levels. With the EmblemHealth product suite, groups have the option to offer their employees more than one EmblemHealth plan. Available statewide, these plans are served by the EmblemHealth National Network and underwritten by GHI, an EmblemHealth company. You can also choose CompreHealth, available in New York City and Nassau, Suffolk and Westchester counties. This option is served by the EmblemHealth NY Metro network and underwritten by HIP, another EmblemHealth company.

What's Next?

- Current plans are in effect until the current policy periods end, including the provision for extending (bridge) coverage of any currently insured dependents scheduled to age out of eligibility under their parents' plan after April 30, 2010. These dependents will experience no interruption of coverage.
- Groups will receive a renewal letter before their current plan period ends. At that time, they can modify their plan within health care reform guidelines.
- If we do not hear from the group, we will automatically enroll them in their current plan that incorporates the health care reform required changes.
- In products underwritten by GHI only, your affected group's employees will receive a new ID card prior to the group's renewal date. Members should be sure to use this card for services received on or after your group's renewal date, and discard their current ID card at that time.

Please note that small group benefit plans are not [grandfathered](#), meaning that all federal health reform provisions must be implemented and effective at renewal.

Group Administrator Notification

These changes will take effect for renewing groups on or after October 1, 2010. Groups with an October 1, 2010 anniversary effective date will receive their renewal letter with the health care reform benefit changes in August.