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Welcome to the e-edition of *As Reform Takes Form* — a bi-monthly, online news series to help you understand the changes resulting from health care reform and how it may affect your plan and your plan members. We are committed to providing you with the most current information as the law is implemented to help you make informed decisions. We hope you find this news series a useful reference and welcome your feedback.

Final rules for incentives for Nondiscriminatory Wellness Programs

Final regulations have been issued that enhance the 2006 HIPAA Nondiscrimination and Wellness Provisions and adopt many of the provisions of the proposed rules published last fall. These regulations are applicable to grandfathered and non-grandfathered group health plans, and group health insurance coverage for plan years beginning on or after January 1, 2014.

The final rules:

- increase the maximum permissible reward under a health-contingent wellness program offered in connection with a group health plan (and any related health insurance coverage) from 20 percent to 30 percent of the cost of coverage;
- increase the maximum permissible reward to 50 percent for wellness programs designed to prevent or reduce tobacco use;
- include clarifications regarding the reasonable design of health-contingent wellness programs and the reasonable alternatives that must be offered in order for the program to be nondiscriminatory.

Download a copy of our [ACA Implementation Alert](#) that describes key aspects of the regulations.

Reminder: New benefit and coverage changes effective January 1, 2014

Since the Affordable Care Act (ACA) was signed into law in 2010, there have been many changes to the requirements employers must incorporate into their plan design.

There are additional benefit and coverage initiatives – as well as updates to previously-issued provisions – that will take effect for **plan years beginning on or after January 1, 2014**. You can read more about specific new or updated benefit and coverage changes in this [ACA Implementation Alert](#).

Updated requirements for the Summary of Benefits and Coverage

The Summary of Benefits and Coverage (SBC) requires two new sections that must state whether or not the plan meets Minimum Essential Coverage and Minimum Value requirements for plan **years beginning on or after January 1, 2014**. For model language and details, please view the [ACA Implementation Alert on new SBC Requirements](#).

Independence Administrators can also provide an analysis to help you determine if your plan(s) meets the Minimum Value standard.

For more information

To learn more about how Independence Administrators can support you in complying with the requirements of the Affordable Care Act, or to request an analysis, **please contact your Independence Administrators account representative**.

Independence Administrators — helping you prepare as reform takes form.

Independence Administrators does not provide legal or tax advice. The final determination of whether the Plan Sponsor meets the requirements of the Affordable Care Act must be made by the Plan Sponsor in consultation with the employer's own legal counsel or tax advisor.

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