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Requirements all health plans offered in 2008 should meet

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Mass. health reform will soon require most employees to have health insurance coverage that meets minimum creditable coverage (MCC) standards. Businesses across the state (including self employed individuals) are being reminded that health insurance plans must meet these standards, including prescription drug coverage, in order for the employees to comply with the Mass. health reform law. Even though these new standards do not take effect until January 1st, 2009, the Health Connector and other providers should be mailing information to businesses this month. If employers want to offer MCC-compliant plans in time for January 1st, 2009, they may have to begin early.

Businesses offering insurance to new employees, beginning new plans, or holding open enrollments in 2008 should consider offering plans that meet these standards so their employees will have access to comprehensive coverage and not be subject to a tax penalty.

Beginning January 1st, 2009, individuals enrolled in plans that do not meet the minimum standards may be subject to a tax penalty for every month they have inadequate coverage. Since enrollment in a plan is for 12 months, coverage purchased after January 1st, 2008, will extend into 2009 and, therefore, should meet the new requirements.

Beginning January 1st, 2009, employees must have health insurance plans that provide:

- * Primary and preventive care
- * Emergency services
- * Hospitalization benefits
- * Diagnostic surgery
- * Prescription drug coverage. Any separate prescription drug coverage deductible may not exceed \$250 for an individual and \$500 for a family
- * Ambulatory patient services
- * Mental health services
- * No annual or per-sickness benefit maximum
- * No per diem limit on in-patient care
- * Annual deductibles capped at \$2,000 for individual and \$4,000 for family coverage
- * Annual out-of-pocket spending capped at \$5,000 for an individual and \$10,000 for a family receiving in-network services, if the plan includes a deductible or co-insurance on core medical services
- * Any out-of-pocket maximum must include the upfront deductible, most co-insurance and any service that requires a co-payment of \$100 or more
- * A minimum of three visits to the doctor for an individual and six for a family prior to any upfront deductible

In addition, health plans that are compliant with the federal government's health savings account

(HSA) rules also satisfy the state's minimum standards for health insurance. Perhaps the most important mandate is the requirement for prescription drug service. This information is provided by the Commonwealth of Massachusetts Health Insurance Connector.

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