



Regence BlueCross BlueShield of Utah is an Independent
Licensee of the Blue Cross and Blue Shield Association

Healthcare Reform Benefit Changes for Large Group Employers

The following are important benefit changes Regence will be making to Large Group plans of 100 or more employees. Several of these changes will occur as a result of the near-term provisions of the Patient Protection and Affordable Care Act that was enacted in March 2010 as part of healthcare reform. These benefit changes will be effective at your plan's first renewal date beginning on or after September 23, 2010. Please note - changes will be implemented according to your benefit structure and status as a grandfathered or non-grandfathered plan. Therefore, please read the following changes carefully as some of them may not apply to your existing benefit plan.

Dependent Age

On plans that currently provide dependent coverage for children, coverage will now be available for adult children up to age 26 regardless of marital or student status, or financial dependence. Please note that Regence is not required to extend coverage to dependents on grandfathered plans if they are eligible for other group coverage as a policyholder or spouse.

A notification will be mailed to your affected employees advising them of this change.

Annual Dollar Limits

Beginning in 2014, the new law prohibits annual dollar limits for benefits that are deemed "essential." Prior to 2014, "restricted" annual dollar limits for essential benefits are permitted. To date, the guidelines issued by the U. S. Department of Health and Human Services (HHS) have been broad and not exhaustive in defining essential benefits, and specific clarification of this component of the legislation is not expected until late 2011. Therefore, Regence has decided to treat almost all benefits offered by Regence as "essential," except dental services and vision. Please note that vision screening for children up to age five and oral health risk assessments for preschool children are considered essential for all Regence plans. Additionally, Utah's adoption benefit will be excluded, and not considered essential, as will transplant travel benefits with dollar limits in a few plans that have those. While all other benefits, with these few exceptions, are deemed essential, it is still permissible for them to be subjected to an aggregate annual dollar limit. The HHS guidance allows that annual dollar limit to increase from year to year. However, to avoid yearly adjustments to the dollar limit in your plan, Regence has chosen to implement a \$2,000,000 annual dollar limit on all essential benefits effective immediately. Alternative forms of limits, such as a number of days one can stay in a facility or a number of visits for a particular type of care, are allowed. Therefore, we will not be making any changes to benefits that have non-dollar limits and where able have changed some dollar limit benefits to day or visit limits to stabilize any rate impacts.

For UT Employers
Large Group Renewals
Rev. 12/2/10



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*** Emergency Services**

Regence is adding coverage for services in a hospital emergency department without prior authorization and regardless of provider contracting status. Some larger groups have benefits that pay emergency room services at different cost share amounts; Regence will be making changes to these benefits upon these groups' renewal. However, for Regence's standard plans, these emergency services benefits are already in place. Only Regence's large groups with a different emergency room services benefit will have to make this benefit change.

Lifetime Dollar Limits

Overall lifetime dollar limits and lifetime dollar limits on essential benefits are prohibited.

Pre-existing Condition Waiting Periods for Enrollees Under Age 19

Pre-existing condition waiting periods will not be applied for enrollees under age 19.

***Preventive Services**

Regence is adding coverage in new and renewing insurance policies for preventive visits and certain preventive services with no cost-sharing for members. While this is required in some policies by the new law, Regence chose to apply this to all existing benefit plans because it is a benefit improvement and is consistent with our desire to help our members better manage their health. Preventive services included in this mandate are certain recommendations of the United States Preventive Services Task Force (USPSTF), Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention, and the Health Resources and Services Administration. These recommended preventive services will be covered at 100%, no deductible, and no copayment when provided by preferred and participating providers. Please note that in addition to preventive procedures, some medications are included in the preventive services list. These medications do require a prescription.

* Benefit Changes do not apply to grandfathered plans.

Health insurers continue to receive guidance from HHS regarding various provisions of the new law. Therefore, this information is subject to change. Nothing in this document should be construed as legal advice.