

**SPOTLIGHT ON HEALTHCARE REFORM**  
A MONTHLY BULLETIN  
PREPARED BY TOWERS WATSON  
FOR OEBB-PARTICIPATING ENTITIES

**Oregon Educators Benefit Board**  
**ACA Bulletin #1**

**Monthly Spotlight on Health Care Reform**  
**Prepared for Educational Entities Participating in the OEBB Benefits Program**

**In this first monthly ACA Bulletin for OEBB-participating entities, we will identify the Affordable Care Act (ACA) provisions OEBB has already met on behalf of all educational entities participating in the OEBB benefits program, the requirements of the health insurance exchange notice, and the recent decision by the Obama administration that will delay the Play or Pay mandate and certain reporting requirements. Future ACA Bulletins will focus on additional updates and guidance on the other provisions of the ACA, including the delayed Play or Pay mandates.**

**Completed actions:**

- ✓ Minimum essential coverage provisions – All of OEBB’s medical plan offerings meet the definition of minimum essential coverage under ACA.
- ✓ Minimum value – All of OEBB’s medical plan offerings meet the definition of minimum value under ACA.
- ✓ Patient-centered Outcome Research Institute (PCORI) fee – OEBB added this fee to all medical premiums beginning with the 2012-13 plan year and will file and pay this fee on behalf of all educational entities.
- ✓ Transitional Reinsurance fee – OEBB added this fee to all medical premiums beginning with the 2013-14 plan year and will file and pay this fee on behalf of all educational entities.

**OEBB Actions in Progress:**

- ✓ Preparation and distribution of required Exchange Notice to all current employees – OEBB to send this notice to all employees in MyOEBB by August 31, 2013 and to provide a template for entities to use to notify all existing non-benefit eligible employees and new hires. The information in this notice is prescribed by law and must be delivered in order to comply with ACA.
- ✓ A template for the Exchange Notice will be available on the OEBB website not later than August 15, 2013, and should be used in its entirety by all educational entities.
- ✓ Oregon Supplemental Transitional Reinsurance fee (Oregon HB 3458) – OEBB is reviewing this new Oregon legislation enacted June 25, 2013, and does not believe it will impact the educational entities.

**Educational Entity Responsibility:**

- ✓ Educational entities should send the Exchange Notice (using template supplied by OEBB) to all current employees that are not included in MyOEBB as of August 15, 2013 by September 30, 2013.
- ✓ Educational entities should include the Exchange Notice in new hire packets. Beginning October 1, 2013, a new hire must be provided with a copy of the notice within 14 days of hire.

## **More on the Health Insurance Exchange Notice (a/k/a the Public Insurance Marketplace Notice)**

ACA requires employers to provide a notice to their employees about the public insurance marketplace no later than October 1, 2013. Employers must provide this notice of coverage options to each employee, regardless of enrollment or eligibility status. Employers are not required to provide a separate notice to retirees or dependents. The notice must be provided in writing in a manner understood by the average employee. The written notice must include information on:

- The existence of the public insurance marketplace, services provided, and who the employee may contact for assistance;
- Information that the employee may be eligible for a federal premium tax credit if the employee obtains coverage through the public insurance marketplace; and
- That the employee's participation in the public insurance marketplace can result in a loss of their employer's tax advantaged contribution toward employer-provided coverage, if any.

Existing employees and new hires must receive the notice automatically and free of charge at the time of hire beginning October 1, 2013. For 2014 and until further notice, the U.S. Department of Labor will consider a notice to be provided at the time of hire if the notice is provided within 14 days of an employee's start date.

**Please note:** This is not an annual notice obligation, and employers will not be required to redistribute this notice to their existing employees each year.

The rules for electronic delivery are tricky, and Towers Watson recommends the notice be sent to all existing employees via first class mail (or better) by October 1, 2013. OEGB intends to send the notice to all employees identified in MyOEGB as of August 15, 2013, via first class mail on or before August 31, 2013. OEGB will provide a template for this notice on the OEGB website not later than August 15, 2013. We recommend educational entities send all existing non-benefit eligible employees and employees that are added to the MyOEGB system on or after August 16, 2013, a copy of the notice via first class mail no later than September 30, 2013. For employees hired on or after August 16, 2013, an educational entity should include this notice in all new hire packets and/or may send the notice to the employee's home address via first class mail. Beginning October 1, 2013, a new hire must receive the notice within 14 days of hire. We recommend educational entities use the template notice in its entirety.

**Please note:** An educational entity may deliver this notice using electronic delivery if the employee uses a computer in the regular course of performing their job. There is no obligation to deliver a copy of this notice to an employee's spouse or dependent(s).

## **The Delay of the Play or Pay Mandate**

- The Obama administration has delayed the Play or Pay mandate and related reporting until 2015.
- The Play or Pay mandate would have imposed potential financial penalties on large employers beginning in 2014 based upon whether minimum essential coverage is offered to full-time employees and whether one or more full-time employees met certain conditions to qualify for a subsidy in the public insurance marketplace.
- Limited relief had been granted delaying the effect of the Play or Pay mandate for OEGB educational entities until October 1, 2014 (the beginning of the 2014 plan year for OEGB educational entities).
- It is not clear if limited relief will be granted again delaying the mandate's effective date until October 1, 2015 for OEGB educational entities, or if this mandate will go into effect on January 1, 2015 during the 2014-2015 plan year. This will affect the "readiness" timing for the educational entities if relief is not granted shortly.