

Minimum Creditable Coverage Regs Approved for Jan. 1, 2009

The Connector Authority Board on October 17, 2008 voted to keep minimum creditable coverage (MCC) standards in place with an effective date of January 1, 2009. Health insurance companies licensed in Massachusetts are required by the state's Division of Insurance to notify customers about whether their plans meet MCC standards. SBIA and SBSB supported a provision that was approved to continue the MCC exemption for plans compliant with federal rules regarding High Deductible Health Plans (HDHP) and Health Savings Accounts (HSA).

MA MINIMUM CREDITABLE COVERAGE

Beginning Jan. 1, 2009, minimum creditable coverage requires individuals to have plans that provide:

- A comprehensive set of services (e.g. doctors visits, hospital admissions, diagnostic surgery, mental health and prescription drug coverage).
- Doctor visits for preventive care that are not subject to a deductible.
- A cap on annual deductibles of \$2,000 for an individual and \$4,000 for a family.
- For plans with up-front deductibles or co-insurance on core services, an annual maximum on out-of-pocket spending of no more than \$5,000 for an individual and \$10,000 for a family.
- No caps on total benefits for a particular illness or for a single year.
- No policy that covers only a fixed dollar amount per day or stay in the hospital, with the patient responsible for all other charges.
- For policies that have a separate prescription drug deductible, the Rx deductible cannot exceed \$250 for an individual or \$500 for a family.

Your client's plan meets MCC standards effective Jan. 1, 2009, if it is:

- Commonwealth Care
- Commonwealth Choice
- MassHealth (except MassHealth Limited)
- A federal employees health benefit plan
- A federally qualified High Deductible Health Plan
- Medicare Part A
- Medicare Part B
- Qualifying Student Health Insurance Program
- A U.S. Veterans Administration health care program

There are also some smaller plans including, but not limited to, Peace Corps, AmeriCorps and Indian health services, that meet MCC standards.

Employers also may request the Health Connector to review plans that don't meet every aspect of MCC but are comprehensive and in keeping with the spirit of the law. Additional information regarding this "actuarial value" safe harbor provisions will be posted when available.

Please contact Small Business TeleBrokerage at 1-800-558-7242 if you need any additional information regarding plan compliance.