



## 2013

### Taxes/Deductions

Individuals making \$200,000 a year or couples making \$250,000 would have a higher Medicare payroll tax of 2.35 percent on earned income - up from the current 1.45 percent. A new 3.8 percent tax on unearned income, such as dividends and interest is also added.

Contributions to flexible spending arrangements (FSAs) limited to \$2,500 a year - indexed for inflation. The threshold for deducting medical expenses on taxes goes from 7.5 percent to 10 percent of income.

Medical device manufacturers have a 2.9 percent sales tax on medical devices, with exemptions for some, like eyeglasses, contact lenses and hearing aids.

No more deduction for expenses allocable to Medicare Part D subsidy for employers who maintain prescription drug plans for their Medicare Part D-eligible retirees.

### Administrative Simplification

Eligibility verification standards on how health plans must verify each individual's health plan eligibility and what that person's financial responsibility might be for specific services either prior to or at the end of service.

Claim status transactions outlining required timeframes by which health plans must respond to claim status inquiries from providers, including the adjudication and appeals processes.



[www.schulmaninsurnace.com](http://www.schulmaninsurnace.com)

## **2014**

### **Coverage Mandates & Subsidies**

New individual and employer coverage responsibilities.

New individual affordability tax credits and expanded small business tax credits.

### **Health Insurance Exchange & Insurance Reforms**

State individual and small group health insurance exchanges operational.

Guaranteed issue, guaranteed renewability, modified community rating and minimum benefit standards ("essential benefits" plan) effective.

No more lifetime or annual dollar limits for essential benefits.

No more excessive waiting periods.

No pre-existing condition exclusions.

New health plan disclosure and transparency requirements.

New uniform insurance rating reforms.

Provider non-discrimination requirements.

Call 516.632.5225



[www.schulmaninsurnace.com](http://www.schulmaninsurnace.com)

## **2014 (continued)**

### **New Taxes on Health Insurers**

#### **Medicaid and Medicare Reform**

Medicaid expanded to cover low-income individuals under age 65 up to 133 percent of the federal poverty level - about \$28,300 for a family of four.

Minimum medical loss ratio of 85 percent required for Medicare Advantage plans.

#### **Administrative Simplification**

Electronic Fund Transfer (EFT) standards for automated reconciliation of payment to remittance advice.

Claim payment/remittance standards for re-association of the claim payment with the remittance advice when health plans process electronic payments.

Health plan certification required by health plans for eligibility verification, claim status, electronic fund transfer and claim payment/remittance compliance.

Health plan identifier (HPID) and unique identification of health plans in order to facilitate routing of electronic transactions between the plan and providers.