

connector board delays minimum standards to January 2009

While residents of Massachusetts still must have health insurance coverage by July 1, 2007, the Connector board voted on Tuesday, March 20, to postpone "minimum creditable coverage" requirements, including prescription drug coverage, until January 1, 2009. These draft regulations for the Commonwealth Choice program will be open to public hearings in May and then be up for the board's final vote on June 12.

The board proposes a phase-in process for MCC requirements that will start in February 2008. The intention is to accommodate businesses and individuals as they enter open enrollment periods and may need to adjust plans to comply with the new standards. The board noted that setting the January 2009 deadline is compatible with a new calendar year, tax year and benefit plan year.

what's out—

- **Self-insured plans** don't have to cover state mandated benefits.
- **Lifetime benefits maximums** are allowed.
- Federally-approved **Health Savings Accounts** are permitted.

The board hopes these steps will diminish the impact on individuals who already have insurance that differs from Commonwealth Choice plans.

what's in—now

- **Annual deductibles are capped** at \$2,000 individual/\$4,000 family.
- **Out-of-pocket costs are capped** for in-network services at \$5,000 individual/\$10,000 family.
- **Any deductible for drug coverage is capped** at \$250 individual/\$500 family.
- **Plans must cover** preventive and primary care, emergency services, hospitalization benefits, ambulatory patient services and mental health services.

what's in—2009

- **Prescription drug coverage will be required.** In the interim, Commonwealth Choice will offer drug and no-drug plans at the bronze level. (FCHP will offer both choices with its Direct Care Premium Saver 2000 plan.) The board agreed to pursue innovative plan options to meet MCC, such as coverage for "preventive and chronic disease" drugs only.

section 125 plans

The board approved emergency regulations, effective immediately, allowing employees to purchase insurance on a pre-tax basis to reduce the cost of premiums. The only substantive change from the proposed draft was to **redefine part-time employees as working 64 versus 32 hours/month**. The regs are subject to change pending a public hearing, scheduled for late April.