

## **Healthcare Reform: What It Means To Businesses**

Confused about what happens now that Democrats in the House have taken historic action to pass a health care bill? This memo from Senator Dianne Feinstein's office explains the next steps before President Obama signs the bill into law.

On Tuesday, the President plans to sign the bill that was passed by the Senate in December and the House last night. The reconciliation bill, a 9 page collection of small fixes to the Senate bill which also passed the House last night, will go to the Senate as early as Tuesday where it will only need 51 votes and is expected to pass. Even in the unlikely event it doesn't, the full Senate health care reform bill will still become law once the President signs it on Tuesday.

Once the bills become law, several provisions will take effect immediately, including tax credits to small businesses, a \$250 rebate to Medicare beneficiaries who hit the "donut hole" (prescription drugs not currently covered by Medicare Part D). Six months after the President signs the bill, health plans will be banned from dropping people when they get sick and discriminating against children based on pre-existing conditions. They will also be required to cover children who are on their parents' health insurance up to their 26th birthday.

On January 1st, 2011, insurance plans will be required to spend at least 80% of premium dollars on medical services and seniors will get a 50% rebate on all drugs in the "donut hole" and primary care physicians and general surgeons will get a 10% bonus from Medicare.

By 2014, insurance companies will be prohibited from denying people based on pre-existing conditions and charging people higher rates based on health status or gender.

Here's a general article on the current status of reform:

<http://www.nytimes.com/2010/03/23/health/policy/23health.html?pagewanted=1&hp>

Here's an excellent comparison between the original Senate bill and the reconciliation fixes:

<http://www.nytimes.com/interactive/2010/03/19/us/politics/20100319-health-care-reconciliation.html#tab=0>

Here are the immediate benefits of reform:

[http://docs.house.gov/energycommerce/IMMEDIATE\\_PROVISIONS.pdf](http://docs.house.gov/energycommerce/IMMEDIATE_PROVISIONS.pdf)

Here is the full implementation timeline:

[http://docs.house.gov/energycommerce/IMMEDIATE\\_PROVISIONS.pdf](http://docs.house.gov/energycommerce/IMMEDIATE_PROVISIONS.pdf)

***Who is Michael Allen?***

***I help companies avoid risk and save money by employing intelligent practices to their workforce screening. I am an 13-year industry professional dedicated to promoting best practice standards, compliance and the monitoring of legislation affecting HR personnel.***

***Source: Steven Maviglio***