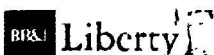




Healthcare Reform, 2010-2018



Craig Gottwals, Attorney at Law
BB&T-Liberty Benefit Ins. Services
530-888-8748
cgottwals@BBandT.com

+ The Law Formerly Known As PPACA – 38 Changes as of Apr 1, 2014



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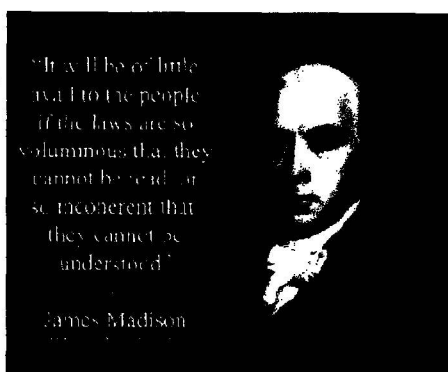
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3	19,790	26,321	29,685	39,580	49,475	59,370	79,160
4	23,850	31,721	35,775	47,700	59,625	71,550	95,400
5	27,910	37,120	41,865	55,820	69,775	83,730	111,640
6	31,970	42,520	47,955	63,940	79,925	95,910	127,880
7	36,030	47,920	54,045	72,060	90,075	108,090	144,120
8	40,090	53,320	60,135	80,180	100,225	120,270	160,360

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- "Culturally & Linguistically Appropriate" means race, ethnicity, gender, geographic location, socioeconomic status (including education, employment or income), primary language, and, disability and by racial and ethnic subgroups must be factored in. HHS shall collect accurate data on health and health care by *race, ethnicity, primary language, sex, sexual orientation, gender identity, disability, socioeconomic status, rural, urban, or other geographic setting*, and any other population or subpopulation determined appropriate by the Secretary.
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No discrimination in favor of highly comp'd EEs with respect to employee benefits. (Most typically the top 25% of earners)

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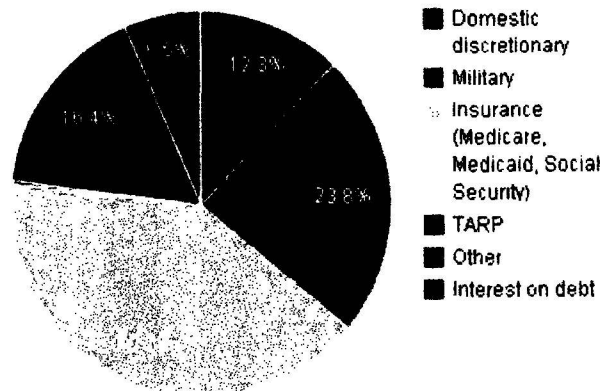
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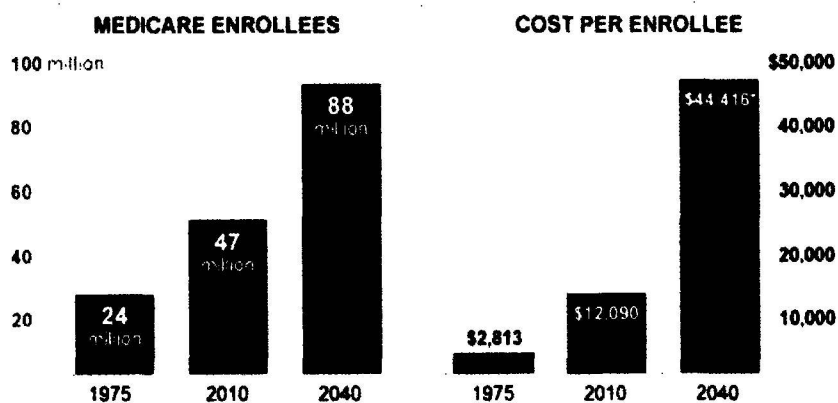
Do Our Leaders Have the Courage to Balance our Budget?

- Medicare and Medicaid are the drivers

Federal Spending

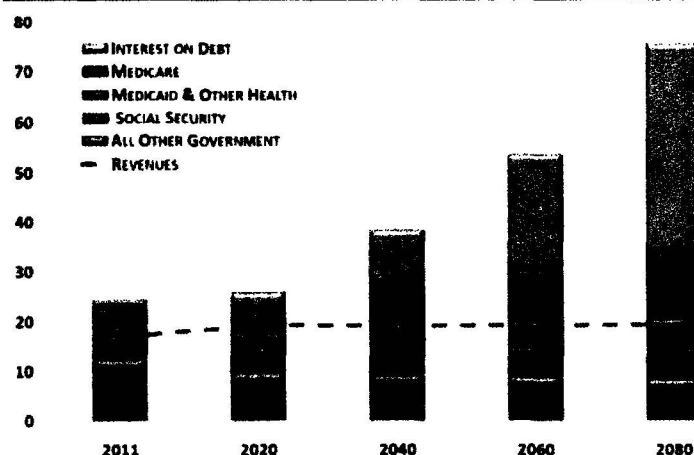


+ Afterward: Medical Care Drives Budget



+ Afterward: Gov't Spending as Share of Economy

GOVERNMENT SPENDING AS SHARE OF ECONOMY



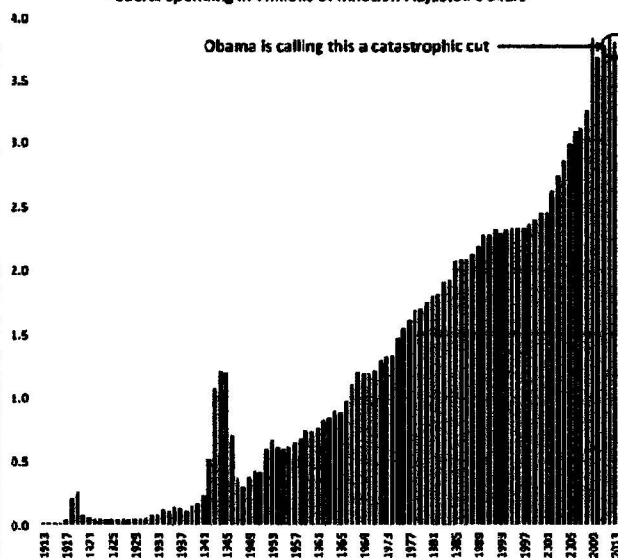
SOURCE: OMB / CBO

+ Afterward: What is a Trillion?

- One million seconds equals 12 days.
- One billion seconds equals 31 years. And,
- One trillion seconds equals 31,688 years.
- **We owe \$17.5 Trillion.** (as of 4/2/14)
- **Or \$152,000 per taxpayer.**

+ Afterward: Budget Battle in Perspective

Federal Spending in Trillions of Inflation-Adjusted Dollars



The budget battle in 2013 (the "Sequester" cuts) amounted to 1% of 1% of our federal budget.

+ Afterward: Lets Bring That Home

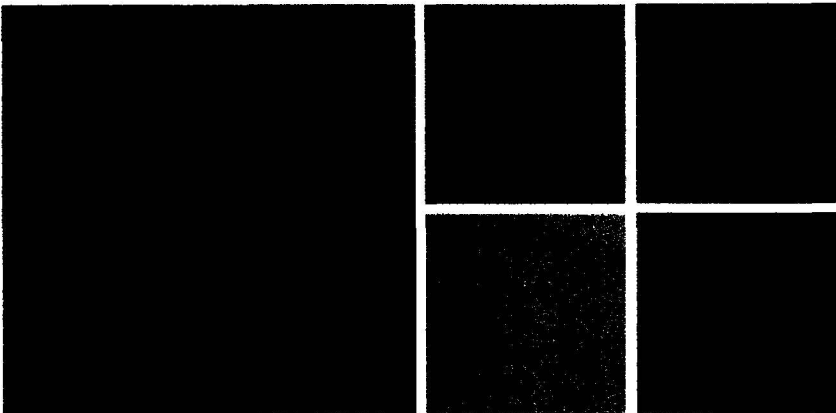
- **EX 1)** Your husband promises you he will cut back on his diet to lose weight. He has been eating a average amount of 3,000 calories per day.
- Your husband consumes 15 calories less per day. He does this by reducing his daily meals of burgers, pizza and donuts by eating **TWO LESS ALMONDS** per day.
- **EX 2)** Your wife promises to spend less to help ease the family budget problems. You currently owe \$10,000 in credit card debt.
- In order to help pay this off and do her part, she agrees to reduce her annual spending by \$4 less per month. She does this by reducing her daily Starbucks habit by **ONE CUP OF COFFEE PER MONTH**. Yes she'll only have 29 cups instead of 30 in June.

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1. No employer waiting period of more than 60 days in California (and could change to 90 or 120 very soon)
2. How your use of "shared" employees with IHSS could end up with you being fined for *their* mistakes
3. How the non-discrimination rules expose you to liability for paying more of your executives benefit costs (or providing them a better plan)
4. How you must offer dental coverage to children on your plans if you have less than 50 employees (but not more)
5. And much more ...



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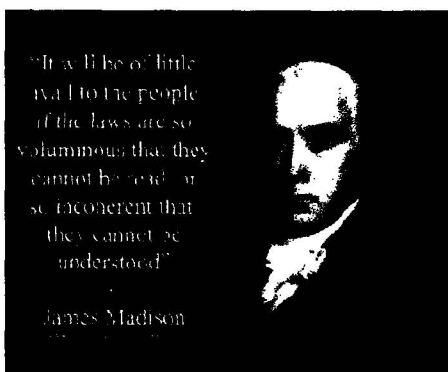
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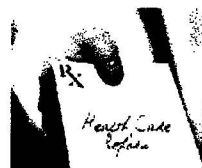
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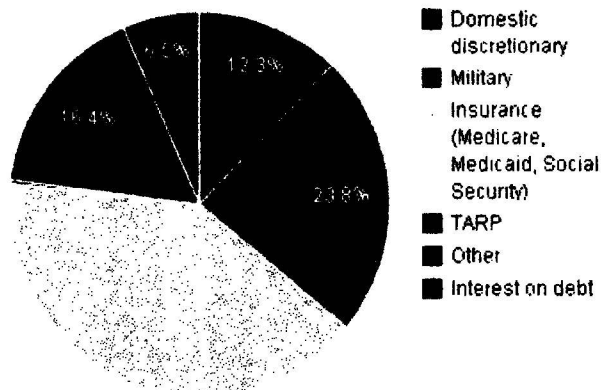
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- A recent study showed that more than 60% of employers in California would trigger this tax.

+ Afterward: U.S. Fiscal Situation

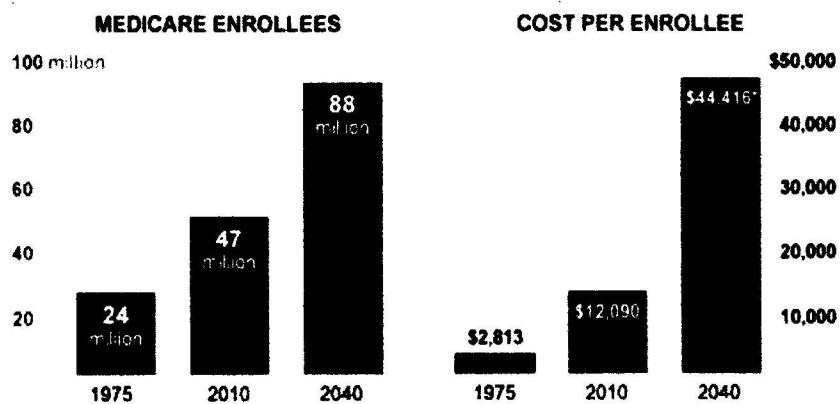
Do Our Leaders Have the Courage to Balance our Budget?

- Medicare and Medicaid are the drivers

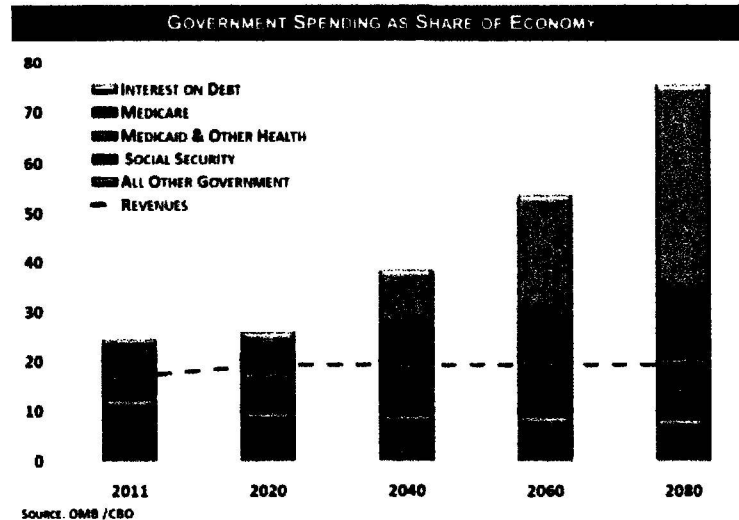
Federal Spending



+ Afterward: Medical Care Drives Budget



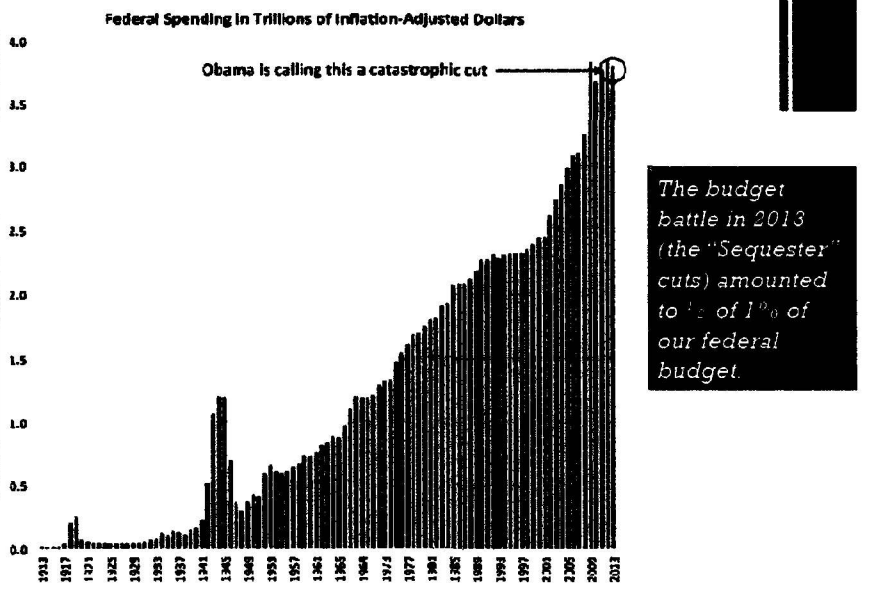
+ Afterward: Gov't Spending as Share of Economy



+ Afterward: What is a Trillion?

- One million seconds equals 12 days.
- One billion seconds equals 31 years. And,
- One trillion seconds equals 31,688 years.
- **We owe \$17.5 Trillion.** (as of 4/2/14)
- **Or \$152,000 per taxpayer.**

+ Afterward: Budget Battle in Perspective



+ Afterward: Lets Bring That Home

- **EX 1)** Your husband promises you he will cut back on his diet to lose weight. He has been eating a average amount of 3,000 calories per day.
- Your husband consumes 15 calories less per day. He does this by reducing his daily meals of burgers, pizza and donuts by eating **TWO LESS ALMONDS** per day.
- **EX 2)** Your wife promises to spend less to help ease the family budget problems. You currently owe \$10,000 in credit card debt.
- In order to help pay this off and do her part, she agrees to reduce her annual spending by \$4 less per month. She does this by reducing her daily Starbucks habit by **ONE CUP OF COFFEE PER MONTH**. Yes she'll only have 29 cups instead of 30 in June.

+



29

1. No employer waiting period of more than 60 days in California (and could change to 90 or 120 very soon)
2. How your use of "shared" employees with IHSS could end up with you being fined for *their* mistakes
3. How the non-discrimination rules expose you to liability for paying more of your executives benefit costs (or providing them a better plan)
4. How you must offer dental coverage to children on your plans if you have less than 50 employees (but not more)
5. And much more ...