



BlueCross BlueShield of North Carolina

An independent licensee of the Blue Cross and Blue Shield Association

Overview of the Impact of the ACA
March 18, 2014

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Blue Cross and Blue Shield of North Carolina

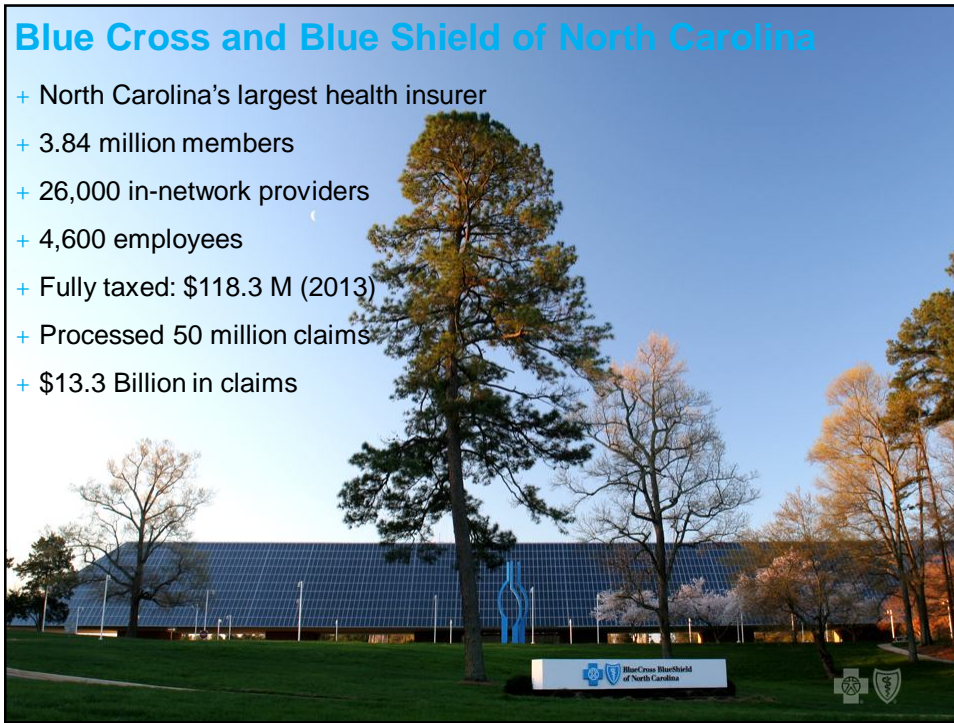
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- ***This document is for educational and discussion purposes only and is NOT intended to provide legal advice. This document reflects information gathered to date. Please note that due to the changing nature of health care reform, BCBSNC recommends continued monitoring of legislation and regulations related to the topics contained herein.***
- *BCBSNC is unable to provide legal or tax advice regarding provisions of the ACA that impact groups. Groups should consult with their own attorneys and/or tax advisors to ensure they understand their responsibilities and are compliant with the new requirements.*

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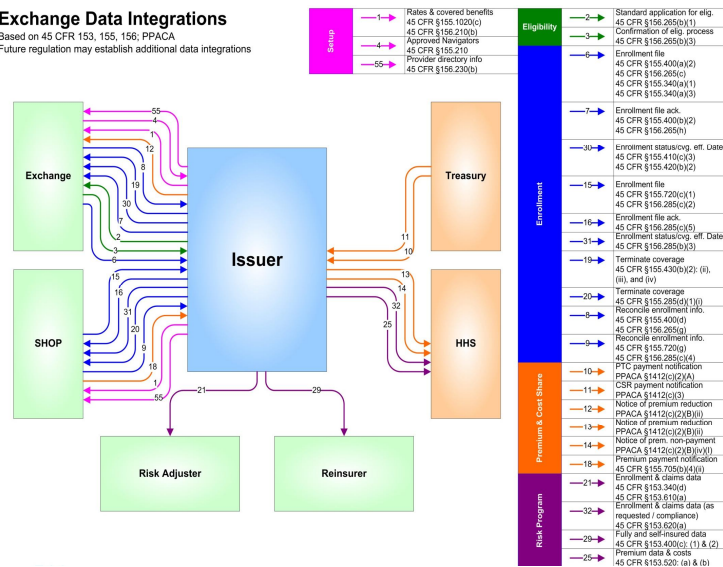
- + North Carolina's largest health insurer
- + 3.84 million members
- + 26,000 in-network providers
- + 4,600 employees
- + Fully taxed: \$118.3 M (2013)
- + Processed 50 million claims
- + \$13.3 Billion in claims

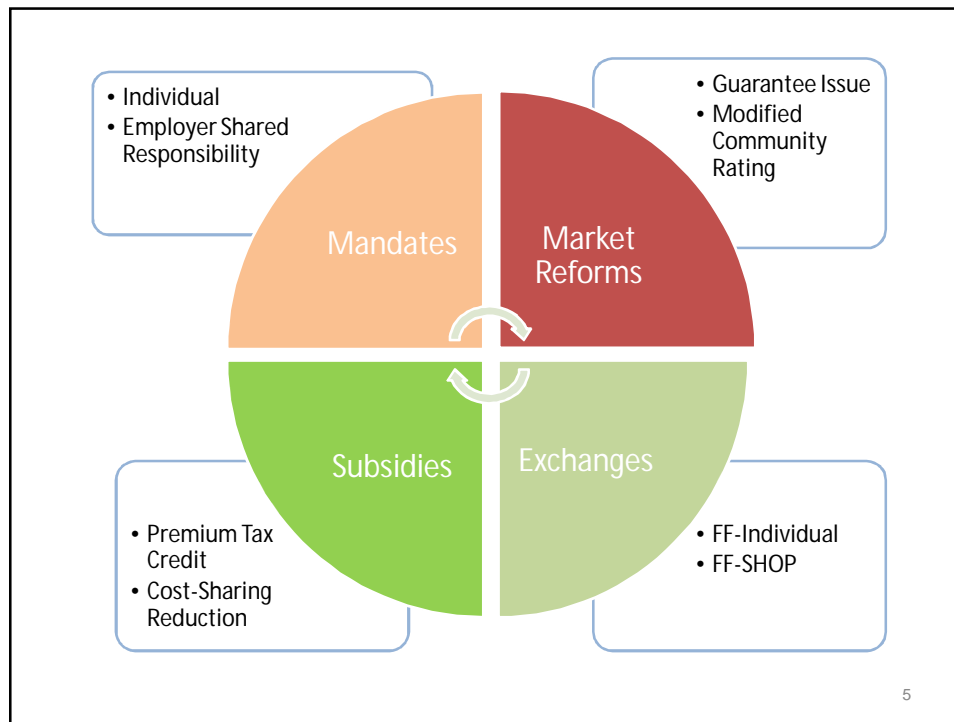


Exchanges Are Complicated

Exchange Data Integrations

Based on 45 CFR 153, 155, 156; PPACA
Future regulation may establish additional data integrations





Premium Impacts

Factors driving future rates

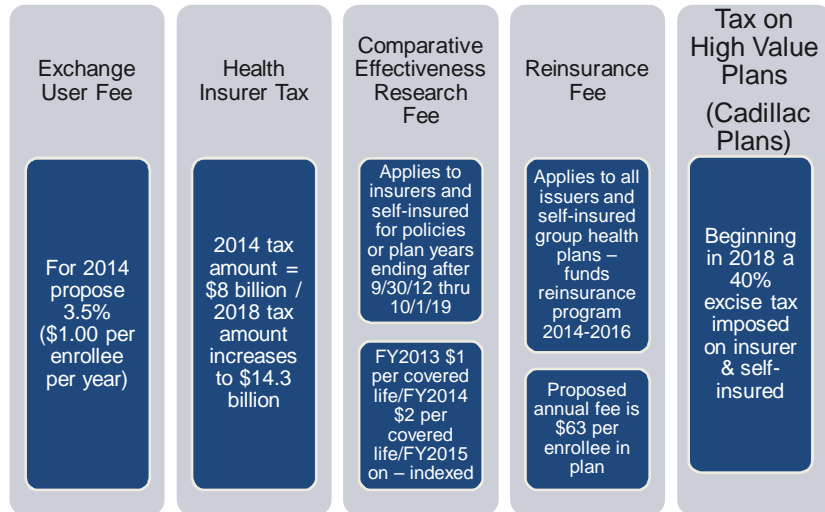
- Rating Changes
- Adverse Selection
- Essential Health Benefits
- New Taxes/Fees

Subsidies do not lower the cost of premiums...

- ...any more than Pell Grants reduce the cost of college tuition
- Not everyone will be eligible for subsidies

Many individuals who receive subsidies will still pay more for their premiums than they do today

Taxes & Fees



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Grandfathered Status

“Keep the plan you’re on” ... so long as:

- Plan was in effect on 3/23/10 *and*
- Does not significantly cut benefits or increase out-of-pocket spending for consumers

All health plans – including grandfathered plans – required to provide certain benefits starting on 9/23/10:

- No lifetime limits
- No rescissions
- Extension of parents’ coverage to young adults under 26 years old

Grandmothered: Early Renewal Option for Individuals

- 11/14/13 - President Obama announced people should be able to keep their current coverage for one year

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