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## REYNOLDS & REYNOLDS INC.

### **Keeping in Time with Health Care Reform**

**Now that health care reform legislation\* has passed, Reynolds & Reynolds Inc. is committed to helping you prepare for when and how the legislation will impact you. We will keep you updated as the specifics of the legislation are formalized.**

**Starting with the initial impact of the legislation, following is a snapshot of what to expect from health care reform from now through January 1, 2011.**

#### **Effective first plan year after September 23, 2010**

- ✓ Health plans that cover dependent children must provide coverage for adult children until their 26<sup>th</sup> birthday, unless the adult child is eligible for coverage through another group health plan
- ✓ No lifetime limits on essential benefits
- ✓ With respect to children under age 19, plans may not impose a preexisting condition exclusion or limitation
- ✓ Plans must provide first dollar coverage (i.e., no cost sharing) for certain preventive services and immunizations

#### **Effective January 1, 2011**

- ✓ Employer must report aggregate value of group health coverage on Form W-2
- ✓ No reimbursement of over-the-counter medicines and drugs (except insulin) by health FSA, HSA or HRA without a doctor's prescription
- ✓ Excise tax for nonqualified distributions from HSAs increases from 10% to 20%

**Please feel free to contact your Reynolds & Reynolds agent or account manager with questions. Please do not respond directly to this e-mail.**

\* Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010