



Smithsonian Institution

## **Summary of the required changes as mandated by the Patient Protection and Affordable Care Act**

### **Beginning January 1, 2011**

- All SI trust health plans are able to cover your dependents up to their 26<sup>th</sup> birthday, regardless of whether they are full-time students, married or even claimed as your own tax dependent.
- Our health plans will no longer impose pre-existing conditions on children up to age 19.
- Our health plans will no longer have a limit on the amount of benefits paid during a person's lifetime.
- Although not mandated by the Act, SI's Delta Dental and Vision Services plan are also able to cover your dependents up to their 26<sup>th</sup> birthday. Coverage will be effective until the last day of the month in which the dependent turns 26.

### **Beginning in 2011, the following changes take effect:**

- Over the counter (OTC) drugs, except insulin, will no longer be eligible for reimbursement through Smithsonian's HealthCare Flexible Spending Account, unless prescribed by a physician.

### **Beginning in 2013, the following changes take effect:**

- The maximum amount you will be able to contribute to your Health Care Flexible Spending Account will be \$2,500 annually.
- Anyone earning in excess of \$200,000 for single tax filer or \$250,000 for joint tax filer will have an increase in their Medicare Hospital Tax from 1.45% to 2.35% of income.

### **Beginning in 2014, the following changes take effect:**

- All U.S. citizens and legal residents will be required (individual mandate) to have qualified "minimum essential" coverage. If not, **a penalty will be enforced. The penalty in 2014 is the greater of \$95 or 1% of household income.** The penalty increases in subsequent years.

There remains the possibility that some of the provisions outlined above will change. We will update you of any changes that may impact you.

If you have additional questions about your current benefits, please contact your Smithsonian Benefit Specialist or Benefit Representative for more information.