

Federal Legislation Quick Guide

October 8, 2008

Pending Legislation—Health and Welfare Plans

Note: The following charts summarize federal legislation that is currently under active consideration by Congress or has recently been enacted into law. In most cases, other bills have also been introduced on the same issue, but are not being actively considered by Congress at this time. For more information on the summarized bills, or to find other bills on the same issue, go to the Library of Congress Web site at <http://thomas.loc.gov>.

Mental Health Parity

Current Legislation	Emergency Economic Stabilization Act of 2008 (P.L. 110-343).
Status	P.L. 110-343 was enacted on October 3, 2008.
Details	P.L. 110-343 amends ERISA, the Public Health Service Act and the Internal Revenue Code to prohibit group health plans from imposing different treatment limits or financial coverage on mental health benefits than for medical/surgical benefits, including for out-of-network coverage. Medical necessity criteria are required to be made available to current and prospective plan participants and contracting providers and reasons for denial of coverage must be made available to the participant or beneficiary on request. Mental health benefits are defined by the terms of the plan and any applicable state laws for fully insured plans. A cost exemption is available if, after six months an actuary certifies that the plan's actual total costs of coverage increased by more than 2% in the first plan year (and 1% in any subsequent year). ERISA's current enforcement and remedy provisions are applicable.
Effective Date	P.L. 110-343 is effective the first plan year beginning on or after one year after October 3, 2008—January 1, 2010 for calendar year plans. The financial parity requirements for substance abuse disorder benefits under the current parity law become effective January 1, 2009.

Trade Adjustment Assistance Act (Health Care Tax Credit and COBRA)

Current Legislation	Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 (P.L. 110-329).
Status	P.L. 110-329 became law on September 30, 2008.
Outlook	Efforts to expand TAA benefits will be held over to 2009.
Details	P.L. 110-329 extends the TAA program, including the health care tax credit through March 6, 2009.
Effective Date	P.L. 110-329 became effective October 1, 2008.

Insurance Coverage and Disclosure

Current Legislation	Michelle's Law (H.R. 2851).
Status	The Senate passed H.R. 2851 by unanimous consent on September 25, 2008, clearing the bill for the president.
Details	H.R. 2851 amends ERISA, the Internal Revenue Code and the Public Health Service Act to require group health plans to allow "seriously ill or injured" (as certified by a physician) college students to take up to one year of medically necessary leave without losing their eligibility as a covered dependent under a parent's health insurance because they do not have the status of a "full-time student" at an institution of higher education.
Effective Date	H.R. 2851 will be effective for plan years beginning on or after one year after the date of enactment and to medically necessary leaves of absence beginning during such plan years.