

The Affordable Care Act: “Grandfathered” Health Plans

FACT SHEET

The Affordable Care Act exempts most plans that existed on March 23, 2010 – the day the law was enacted – from some of the law’s consumer protections. These plans are called “grandfathered” health plans.

What it Means for You

If you have health coverage through a plan that existed on March 23, 2010, your plan may be considered a grandfathered plan.

This is true whether you are covered by an individual health insurance policy that you had on that date or a job-based health plan that your employer established before March 23, 2010.

A grandfathered health plan isn’t required to comply with some of the consumer protections of the Affordable Care Act.

Grandfathered plans can lose this status if certain significant changes are made that reduce benefits or increase costs to consumers.

If your plan loses its grandfathered status, all of the Affordable Care Act consumer protections will apply to you when your plan begins a new “plan year” or “policy year.”

To find out if your health plan is a grandfathered plan:

- Check your plan’s materials. Beginning with the first plan or policy year starting on or after Sept. 23, 2010, health plans must disclose their grandfathered status in any plan materials describing the plan’s benefits that are distributed to beneficiaries or primary subscribers. These materials must also contain contact information for questions and complaints.
- Check with your employer or your health plan’s benefits administrator. If you are in a group health plan, the date you joined may not reflect the date the plan was created. New employees and new family members may be added to a grandfathered group plan after March 23, 2010.

The following ACA provisions DO apply to grandfathered plans:

- Prohibition of rescissions
- Extension of dependent coverage (exception until Jan. 1, 2014 if dependent is eligible for own group coverage)
- Prohibition of lifetime dollar limits
- Restriction of annual dollar limits and no pre-existing condition exclusions for children under 19 apply to grandfathered group plans only

The following DO NOT apply to grandfathered plans:

- Coverage for recommended preventive services at no cost
- Elimination of pre-existing condition exclusion for children under 19 in individual plans
- Protection of choice of health care providers and access to emergency care
- New internal and external appeals regulations
- Rate review does not apply to grandfathered plans

If you experience significant changes in the benefits you receive or the costs you pay and you have a grandfathered employer-based group health plan, contact The U.S. Department of Labor for more information at 1-866-444-3273 or visit www.dol.gov/ebsa/healthreform.

For More Information: For assistance, call the Help Center at 1-888-466-2219, email us at helpline@dmhc.ca.gov or log onto healthhelp.ca.gov.