

SEP 9 2010

REG-118412-10

LEGAL PROCESSING DIVISION  
PUBLICATION & REGULATIONS  
BRANCH

# PUBLIC SUBMISSION

<b>As of:</b> September 09, 2010
<b>Received:</b> August 16, 2010
<b>Status:</b> Posted
<b>Posted:</b> September 09, 2010
<b>Tracking No.:</b> 80b322f1
<b>Comments Due:</b> August 16, 2010
<b>Submission Type:</b> Web

**Docket:** IRS-2010-0010

Group Health Plans and Health Insurance Coverage Rules Relating to Status as a Grandfathered Health Plan Under the Patient Protection and Affordable Care Act

**Comment On:** IRS-2010-0010-0001

Group Health Plans and Health Insurance Coverage: Interim Final Rules for Relating to Status as a Grandfathered Health Plan under the Patient Protection and Affordable Care Act

**Document:** IRS-2010-0010-0925

Comment on FR Doc # 2010-14488

Unknown/0

---

## Submitter Information

---

## General Comment

See Attached

---

## Attachments

**IRS-2010-0010-0925.1:** Comment on FR Doc # 2010-14488

1. (Page 34544—last paragraph) **Pharmacy Networks**--Health Plans and PBM's should continue to be given the autonomy to limit pharmacy networks without relinquishing Grandfather status in order to create more cost effective service delivery and to help maintain affordability and benefit integrity for its membership.
2. (Page 34544-last paragraph) "**Changes to a prescription drug formulary, and if so, what magnitude of changes would be made**"--Health Plans with open formularies should be allowed to make tier changes within their **open formularies** in order to provide a more cost effective plan and to maintain the integrity of pharmacy benefits for its membership. (**Open formularies** cover all FDA-approved prescription legend drugs for covered services. Member cost-sharing varies based on tier.)
3. The Health Plan offers employee-only coverage at no charge to members. The Plan seeks clarification on the 5% increase allowed in the employee contribution. The Plan would potentially consider a higher increase to the employee contribution from 0% to 10% of employee costs, with an employee opportunity to 'earn back' premium dollars by completing a health risk assessment including biometrics, and/or engaging in certain wellness activities as appropriate. The net contribution increase would then be 5% or less. The Health Plan requests that the Final Regulations consider these types of approaches that would result in a net premium increase of 5%, but may start out at 10%.
4. The Health Plan offers self-funded coverage through a single Third Party Administrator, Blue Cross and Blue Shield of North Carolina; the Plan offers two PPO options. The Plan requests clarification on whether one plan may retain its Grandfather status, while the second plan relinquishes its Grandfather status. Members would continue to have a choice between the Plans at annual enrollment.