



## ARIZONA DEPARTMENT OF ADMINISTRATION

Benefit Services Division

# PATIENT PROTECTION & AFFORDABLE CARE ACT (PPACA) NOTICES

### **Grandfather Status Notice**

The Arizona Department of Administration believes the Benefit Options plan is a “grandfathered health plan” under the Patient Protection and Affordable Care Act (PPACA). As permitted by the PPACA, a grandfathered health plan can preserve certain health coverage that was already in effect when the law was enacted. Being a grandfathered health plan means that your plan may not include certain requirements of the PPACA that apply to other plans; for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other requirements in the PPACA; for example, the elimination of lifetime limits on benefits.

Questions regarding which requirements do and do not apply to a grandfathered health plan and what might cause a plan to change from a grandfathered health plan status can be directed to ADOA Benefits at 602-542-5008 or [benefitsissues@azdoa.gov](mailto:benefitsissues@azdoa.gov).

### **Notice of Rescission**

Under the PPACA, Benefit Options cannot retroactively cancel or terminate an individual’s coverage, except in cases of fraud and similar situations. In the event that the Benefit Options plan rescinds coverage under the allowed grounds, affected individuals must be provided at least 30 days advanced notice.

### **Form W-2 Notice**

Pursuant to the PPACA for tax years starting on and after January 1, 2011, in addition to the annual wage and tax statement employers must report the value of each employee’s health coverage on form W-2, although the amount of health coverage will remain tax-free. The W-2s due in early 2012 will be the first to report coverage costs for the prior calendar year.

**Benefit Options**  
Choice. Value. Health.