



Provisions

South Carolina – Early Retiree Reinsurance Program – Provisions | HealthCare.gov

Rising health care costs have made it difficult for employers to provide quality, affordable health insurance for workers and retirees while also remaining competitive in the global marketplace. The percentage of large firms providing workers with retiree health coverage has dropped from 66 percent in 1988 to 29 percent in 2009.¹ Health insurance premiums for older Americans are over four times more expensive than they are for young adults,² and the deductible these enrollees pay is, on average, almost four times that for a typical employer-sponsored insurance plan.³

The Affordable Care Act creates a new program called the Early Retiree Reinsurance Program to help address this challenge that employers and older employees are facing. The Early Retiree Reinsurance Program provides \$5 billion in financial assistance to employers and unions to help them maintain coverage for early retirees age 55 and older who are not yet eligible for Medicare.

Businesses, other employers, and unions that are accepted into the program will receive reimbursement for medical claims for early retirees and their spouses, surviving spouses, and dependents. Savings can be used to reduce employer health care costs, provide premium relief to workers and families, or both. Applicants who are approved into the program receive reinsurance for the claims of high-cost retirees and their families (80 percent of the costs from \$15,000 to \$90,000). The program ends on January 1, 2014 when State health insurance Exchanges are up and running.

HHS has approved the following sponsors from South Carolina. More applications are being approved each day.

- Anderson Group, Inc.
- Blue Cross Blue Shield of South Carolina
- Board of Public Works
- Bowater Incorporated
- Chester County
- City of Columbia
- City of North Charleston
- City of Spartanburg
- Commissioners of Public Works of the City of Charleston
- Continental Automotive, Inc.
- Continental Tire the Americas, LLC
- County Council of Richmond County
- County of Greenville
- First Citizens Bank and Trust Company, Inc.
- First Financial Holdings, Inc.
- Giant Cement Holding, Inc

- Michelin North America, Inc.
- Milliken & Company
- Mitsubishi Polyester Film, Inc.
- Oconee County
- Piggly Wiggly Carolina Company, Inc
- Savannah River Nuclear Solutions, LLC
- Savannah River Remediation LLC
- SCANA Corporation & Subsidiaries
- Sonoco Products Company
- South Carolina State Ports Authority
- Southern Farm Bureau Casualty Insurance Company
- Spartanburg County
- Spartanburg Steel Products, Inc.
- Spirax Sarco, Inc.
- State Treasurer of S C
- The Loxcreen Company, Inc.
- Town of Mount Pleasant*
- Tuomey

***New program participants as of February 23, 2011. List to be updated monthly.**

[1] Kaiser / HRET. *Employer Health Benefits: 2009 Survey*.
 [2] Center for Policy and Research. *Individual Health Insurance 2009*.
 [3] Kaiser Family Foundation. 2010. *Survey of People Who Purchase Their Own Insurance*.