

Affordable Care Act Employer Planning Guide

2013	NOTES	STATUS OF RULES AND REGULATIONS	EFFECTIVE DATE
Patient-Centered Outcomes Research Fees	<ul style="list-style-type: none"> First plan year affected would be 11/01/2011 - 10/31/2012. \$1 per year per participant 2012-2103, then \$2. Fully insured plans - carrier will pay fee. Self-funded plans - payable by July 31 of year following the end of plan year. 		<ul style="list-style-type: none"> Plan years ending after 09/30/2012 until 09/30/2019 11/1, 12/1, and 1/1 plan years will owe fee by July 31st, 2013
W-2 Reporting	<ul style="list-style-type: none"> Rule suspended for employers who filed fewer than 250 W-2s the previous year. Large employers must include on 2012 W-2s 	IRS site with guidance on plans subject to reporting at: http://www.irs.gov/uac/Form-W-2-Reporting-of-Employer-Sponsored-Health-Coverage	2012 tax year
Exchange Notice	<ul style="list-style-type: none"> Intent of notice is to notify employees of creation of exchanges and availability of subsidy. All employers offering health insurance must distribute. 	HHS expected to release model notice and distribution rules.	03/01/2013
0.09% Increase in Medicare Tax for High Income Earners	<ul style="list-style-type: none"> Applies to income over \$200,000 individual, or \$250,000 filing jointly. Employer portion of Medicare tax not increased. Employers only need to withhold extra amount if the employee's pay exceeds threshold. 		01/01/2013
Health FSA \$2,500 Cap on Payroll Deductions	<ul style="list-style-type: none"> Cap is on the amount of pre-tax payroll deduction, not the total benefit. Example: Employee could elect \$2500 pre-tax deduction and employer could contribute \$500 for a total benefit of \$3000. Plan document must be amended by 12/31/2014. 		Cafeteria plan years beginning after 12/31/2012

Effective Date Uncertain	NOTES	STATUS OF RULES AND REGULATIONS	EFFECTIVE DATE
Nondiscrimination Rules for Insured Plans	<ul style="list-style-type: none"> Employers with fully-insured health plans may not discriminate in favor of highly compensated employees. Employers with self-funded plans are already subject to §105(h) non-discrimination rules 	Waiting for IRS guidance before rules go into effect.	IRS has delayed enforcement until plan years beginning "sometime after guidance is issued".
Automatic Enrollment	Applies only to employers with at least 200 employees	DOL has stated rules will not be ready for rule to go into force by 2014.	Delayed by DOL until after regulations are released (2015 at the earliest).



2014	NOTES	STATUS OF RULES AND REGULATIONS	EFFECTIVE DATE
Cost-Sharing Limitations	<ul style="list-style-type: none"> \$2000 maximum deductible applies to fully-insured small group plans. OOP limited to HSA limits for all health plans. 	Need further guidance on deductible limit and impact of HRA and HSA contributions.	2014
90-day Limit on Waiting Periods	<ul style="list-style-type: none"> Applies to all plans. Cannot have W.P. of first of month after 90 days. 	Guidance released August 31st, 2012	Plan years beginning 01/01/2014
Reinsurance Payments	<ul style="list-style-type: none"> All health plans must contribute to a reinsurance fund to help offset risk in the individual health insurance market. Carrier to pay on behalf of fully-insured plans. TPA to pay on behalf of self-funded plans. 	Rules necessary to calculate how much will be paid by various stakeholders have not been released yet.	2014 through 2016
Employer Reporting of Health Insurance Coverage	<p>New expanded employer reporting requirement to IRS for large and self-funded employers:</p> <ul style="list-style-type: none"> Name, address, and SSN of the primary insured Dates which the individual was covered during the calendar year Name, address, and employer identification number (EIN) of the employer maintaining the plan Portion of the premium paid by the employer <p>Statement to participants with similar information also required.</p>	No regulations have been released yet.	2014 - First report will be due in 2015
Individual Subsidy Eligibility	Employee can qualify for subsidized individual health insurance if contribution for employee-only coverage exceeds 9.5% of household income.	Regulations needed to determine family member eligibility for subsidies when employee is not eligible due to affordable employer coverage.	2014
Employer Shared Responsibility Rules	<ul style="list-style-type: none"> Employers with at least 50 full-time equivalent employees required to provide qualifying coverage to full-time employees or pay penalty. Employer will pay \$250/mo. penalty for each employee qualifying for subsidized coverage due to coverage being unaffordable. If employer does not offer coverage to all full-time employees, employer will pay penalty of \$166.67/ mo. times total number of full-time employees (not counting first 30). 		2014

This summary is provided as an overview of some of the provisions of the Patient Protection and Affordable Care Act (PPACA). For more details or questions, please contact your Parker, Smith & Feek Benefits Team.

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