



# Health Care Reform

## Timeline for Group Health Plans

### 2014

- **Health Insurance Exchange** coverage begins for individuals and small employers; premium assistance tax credits available to certain low-income individuals
- **Individual Mandate** starts, requiring individuals to obtain minimum essential coverage or pay a personal income tax penalty; 2014 penalty is the greater of \$95/adult or 1% of taxable income
- **Medicaid** expansion to 133% of Federal Poverty Level (at state option)
- Group health plan standards for **all plans** (effective for plan year beginning on/after January 1, 2014): ban on waiting periods that exceed 90 days, ban on annual dollar limits on essential health benefits, ban on pre-existing condition limitations (regardless of age), wellness incentives can be raised from 20% to 30% (up to 50% for smoking cessation programs)
- Group health plan standards for **non-grandfathered plans** (effective for plan year beginning on/after January 1, 2014): cost-sharing limits, coverage relating to routine patient costs associated with approved clinical trials, provider nondiscrimination and protection of employees
- **Health Insurance Provider Fee** starts (annual fee)
- **W-2 Reporting** on the value of employer-sponsored coverage for 2013 (January 2014)
- **Comparative Effectiveness Research Fee/PCORI** rises to \$2 per covered life (return/fees due by July 31)
- **Temporary Reinsurance Program Fee** enrollment count due November 15, 2014 (\$63/covered life for 2014) Fee sunsets after 2016
- Use **Early Retiree Reimbursement Program (ERRP)** reimbursement monies by end of 2014
- Deadline for certain amendments to cafeteria plan documents (December 31, 2014)

### 2015

- **Individual Mandate Penalty** is the greater of \$325/adult or 2% of taxable income
- **Employer Shared Responsibility Penalty** begins
- **W-2 Reporting** on the value of employer-sponsored coverage for 2014 (January 2015)
- First installment of 2014 **Temporary Reinsurance Program Fee** due by January 15, 2015
- **Comparative Effectiveness Research Fee/PCORI** continues (return/fees due by July 31)
- **Temporary Reinsurance Program Fee** enrollment count due by November 15, 2015 (\$44/covered life for 2015)
- Second installment of 2014 **Temporary Reinsurance Program Fee** due by November 15, 2015

2014

2015

### Effective Dates to be Determined in Regulations

- Auto-enrollment of new hires (awaiting guidance)
- Reporting related to transparency in coverage (for non-grandfathered plans, not sooner than 2015)
- Quality reporting (for non-grandfathered plans, awaiting guidance)
- Nondiscrimination rules for insured plans (for non-grandfathered plans, awaiting guidance)
- Plans certify compliance with HIPAA EDI standards and operating rules (proposed deadline: December 31, 2015)



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### 2016

- **Individual Mandate Penalty** is the greater of \$695/adult or 2.5% of taxable income
- **Employer Shared Responsibility Penalty** continues
- First installment of 2015 **Temporary Reinsurance Program Fee** due by January 15, 2016
- **Large Employer Reporting to IRS** on 2015 coverage offered to full-time employees. This includes **employer reporting to employees by January 31, 2016**
- **Plan Reporting to IRS on 2015 coverage.** This includes **plan reporting to participants by January 31, 2016**
- **W-2 reporting** on the value of employer-sponsored coverage for 2015 (January 2016)
- **Comparative Effectiveness Research Fee/PCORI** continues (return/fees due by July 31)
- **Temporary Reinsurance Program Fee** enrollment count due by November 15, 2016 (final year); national per capita rate for 2016 set in 2015
- Second installment of 2015 **Temporary Reinsurance Program Fee** due by November 15, 2016

### 2017

- **Individual Mandate Penalty** is the greater of \$695 (indexed)/adult or 2.5% of taxable income
- Exchanges may permit **large employers** to purchase Exchange coverage
- **Employer Shared Responsibility Penalty** continues
- First installment of 2016 **Temporary Reinsurance Program Fee** due by January 15, 2017
- **Large Employer Reporting to IRS** on 2016 offers of coverage (to employees by January 31, 2017)
- **Plan Reporting to IRS on 2016 coverage** (to participants by January 31, 2017)
- **W-2 reporting** on the value of employer-sponsored coverage for 2016 (January 2017)
- **Comparative Effectiveness Research Fee/PCORI** continues (return/fees due by July 31)
- Second installment of 2016 **Temporary Reinsurance Program Fee** due by November 15, 2017

### 2018

- **40% Excise Tax** on health plans that cost above \$10,200 (single) and \$27,500 (family), indexed to the CPI-U
- **Individual Mandate and Employer Shared Responsibility Penalties** continue
- **Large Employer Reporting to IRS** on 2017 offers of coverage (to employees by January 31, 2018)
- **Plan Reporting to IRS on 2017 Coverage** (to participants by January 31, 2018)
- **W-2 reporting** on the value of employer-sponsored coverage for 2017 (January 2018)
- **Comparative Effectiveness Research Fee/PCORI** (return/fees due by July 31)

2016

2017 and beyond

