

Federal Government Delays Healthcare Requirements Until 2015

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President Barack Obama's administration made the surprising announcement today that it was delaying implementation of the Patient Protection and Affordable Care Act's (ACA) "shared responsibility" provision and insurer reporting requirements until 2015.

So, what does this mean for employers? There will be no penalties in 2014 for large employers that fail to provide health insurance to certain employees.

The ACA's shared responsibility provision, or employer mandate, requires that large employers (businesses with more than 50 full time equivalent employees) offer healthcare coverage that meets certain standards for both minimum coverage and affordability. This "shared responsibility" mandate was criticized by many business owners as too complicated to enact by 2014.

In a blog post titled: "Continuing to Implement the ACA in a Careful, Thoughtful Manner," Assistant Treasury Secretary Mark Mazur acknowledged that the administration has "heard concerns about the complexity of the requirements and the need for more time to implement them effectively." Accordingly, the administration is "taking action."

According to Mazur, the one-year delay will meet two goals: (1) it will allow the administration "to consider ways to simplify the new reporting requirements consistent with the law;" and (2) it will "provide time to adapt health coverage and reporting systems while employers are moving toward making health coverage affordable and accessible to their employees."

Mazur also advised that formal guidance on this transition will be published by the administration within the next week.

Plunkett Cooney will continue to keep you advised about developments related to the ACA, including the delayed implementation of the shared responsibility provision. Should you have any questions regarding the content of this Rapid Report, please contact your Plunkett Cooney attorney or any member of the firm's Labor and Employment Practice Group.

FEDERAL GOVERNMENT DELAYS HEALTHCARE REQUIREMENTS UNTIL 2015 Cont.

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