



Health Care Reform Action Plan

2012 Plan Year

1. Prepare for W-2 reporting requirement beginning with the 2012 tax year (or for the 2013 tax year if eligible for the delayed effective date). Although reporting is not required until the 2012 W-2 is issued in January 2013, plan sponsors need to begin tracking the monthly cost of benefits beginning in January 2012. Employers providing fewer than 250 W-2's for the 2012 tax year are not required to meet this requirement until the 2013 tax year.

2013 **Regulations Pending*

1. If medical FSA offered, annual limit on the maximum election is set at \$2,500 beginning in 2013.
2. Develop employee notice to distribute to current employees by 3/1/13 regarding exchanges, premium credits, essential benefits, etc. Notice required for new employees on or after 3/1/13 at time of hire.
3. If retiree drug coverage provided, must report retiree drug subsidies received as gross income and pay taxes on subsidies received for Medicare-eligible individuals in 2013.
4. Must increase payroll tax withholdings for Medicare for families with annual gross annual incomes higher than \$250,000 in 2013.
5. Calculate per-head fees to fund federal comparative effectiveness research for each plan year beginning after 9/30/12. First year is \$1 per enrollee; each year thereafter is \$2 per enrollee. Ends for plan years ending after 9/30/19. **Regulations Pending*

2014 **Regulations Pending*

1. Beginning January 1, 2014, the maximum waiting period for benefits eligibility is capped at 90 days.
2. All plans must provide minimum essential benefits unless (to be determined by HHS).
3. No pre-existing conditions exclusions for anyone (whether plan is still grandfathered or not).
4. Small Employers: Determine if coverage will be purchased through the exchange or on the private market (cost-analysis determination of potential penalties and fees for not providing coverage versus cost of providing coverage).
5. Evaluate wellness programs for compliance with new requirements. Determine eligibility for grants.
6. Employers with 50+ employees: calculate and pay the "play or pay" penalties if coverage not offered.
7. Employers with 200+ employees: establish auto-enroll procedure with opt out options.
8. If retiree coverage offered, reinsurance reimbursement program ends.

2018 and beyond **Regulations Pending*

1. Employers with high-end "Cadillac" health plans: determine the amount of excess premium; calculate and pay taxes as required.
2. The per-head fees that started in 2012 no longer apply to plan years ending after 9/30/19.