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Health Care Reform – Are You Ready?

Healthcare Alert | 2 min read
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While the enactment of health care reform legislation by Congress has been much debated, there is one certainty: Health Insurance Will Change Dramatically On January 1, 2014.

Here are some important changes:

January 1, 2014	**"Pay or Play"** **Employer Shared** **Responsibility**	Employers with 50 + full-time employees must offer a minimum level of affordable health care coverage to full-time employees or pay tax penalties.
January 1, 2014	**Wellness Incentives**	Employer plans may increase allowed wellness incentives from 20% of average costs to 30%.
January 1, 2014 **(or later)**	**Automatic Enrollment**	Large employers (200+ full-time employees) are required to automatically enroll new employees in employer's group health plan. *Compliance is delayed until regulations are issued.*
January 1, 2014 **(or later)**	**Nondiscrimination Rule**	Insured employer group health plans may not discriminate in favor of highly compensated employees. *Compliance is delayed until regulations are issued*.
January 1, 2014	**Annual Dollar Limits**	Employer group health plans cannot impose annual dollar limits on essential health benefits.
January 1, 2014	**Waiting Periods**	Employer group health plans cannot impose waiting periods longer than 90 days.
January 1, 2014	**Preexisting Condition Exclusions**	Employer group health plans cannot impose exclusions on any preexisting condition.

January 1, 2018	**"Cadillac Tax"**	Employers will be required to pay an excise tax if coverage under their group health plan exceeds annual cost of $10,200 (single coverage) or $27,500 (family coverage). Costs to be adjusted for inflation.
Not Specified	**Quality of Care Reporting**	Employer group health plans must prepare an annual report disclosing information about plan benefits and reimbursement structures that improve health outcomes. Though the deadline for issuing regulations was March 23, 2012, *Compliance is delayed until regulations are issued.*

If you have questions about getting your business ready for the January 1, 2014 health care changes, we are here to help. Hinshaw has an interdisciplinary team of professionals to help guide you through the health care maze and its impact on your business. Contact your Hinshaw attorney to help you get positioned for January 1, 2014.

For more information on this topic, register for Hinshaw's in-person breakfast briefing in Chicago on Thursday, June 27th or our national webinar on the same day.

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James W. Keeling

Partner

815-490-4904

