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TIMELINE OF HEALTH INSURANCE REFORM

Reform	Effective Date
W2 inclusion of cost of employer-sponsored health coverage for employers who filed more than 250 Forms W2 in prior year.	2012 Forms W2, due 1/31/13
Medical Loss Ratio Rebates to be paid by insurers. Employers may need procedures in place governing how such amounts will be treated and allocated.	8/1/12
New standardized summary of benefits and coverage (SBC). 60-day advance notice of any material change.	The initial distribution of SBCs was delayed to open enrollment periods beginning on or after 9/23/12.
Extension of Waiver of Annual Limits: Plans wanting to extend their waiver of the restrictions on annual limits must reapply by deadline.	12/31/12
Group plans must report annually to HHS and plan participants about plan benefits designed to improve the quality of care	Upon issuance of regulations
Automatic enrollment for large employer plans (more than 200 F/T employees) . Employers must provide notice of auto enrollment and opportunity to opt out.	Upon issuance of regulations
Nondiscrimination rules of 105(h) apply to fully-insured non-grandfathered plans	Upon issuance of regulations
Elimination of employer deduction for subsidy under Medicare Part D (immediate impact on employers' liability and income statements)	ER Tax Years beginning after 12/31/12
Health FSA max election of ee salary deferrals limited to \$2,500	2013 Plan Year
Additional .9% Medicare tax on wages and self-employment income for individuals earning more than \$200,000 (\$250,000 MFJ). New 3.8% Medicare tax on the lesser of 1) net investment income or 2) the portion of MAGI exceeding \$200,000 (\$250,000 MFJ)	1/1/13
Threshold for the itemized deduction for unreimbursed medical expenses increased from 7.5% of AGI to 10% of AGI for regular tax purposes (waived for individuals age 65 and older for tax years 2013 through 2016)	1/1/13
Employer notice of availability of Exchanges and if employer contribution is <60% of cost, availability of premium assistance and fact that employee will lose employer contribution to coverage in Exchange	October 1, 2013
State Exchanges begin operating	1/1/14
Health Insurance Premium Assistance Credit and/or cost sharing reduction for households with income 100-400% of poverty line	1/1/14
Individuals must have minimum essential health insurance coverage for themselves and their dependents	1/1/14

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Standards for qualified coverage, including mandated benefits, cost-sharing requirements, out-of-pocket limits and a minimum actuarial value	1/1/14
No waiting periods longer than 90 days	1/1/14
No annual limits on benefits allowed	Plan Years beginning on and after 1/1/14
Elimination of all pre-existing condition limitations or exclusions on all participants	Plan Years beginning on and after 1/1/14
Wellness incentives increased from 20% to 30% of the cost of employee-only coverage (50% for tobacco)	1/1/14
Play or Pay: Employers must offer coverage or, if they employ at least 50 full-time equivalent (based on 120 hours/month or 30 hours/week) employees, they must pay a fine. Coverage must meet the essential benefits requirements and maximum employee contribution to be compliant	1/1/15
Employer reporting to IRS whether health coverage offered to F/T employees	1/1/15
Cadillac plan tax: 40% on coverage in excess of \$10,200 for single coverage or \$27,500 for family coverage. Paid by employer if self-insured and by carrier if fully-insured.	1/1/18