



# Healthcare Reform In A Nutshell: Top Five Concerns for Employers

Insights

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Keeping up with changes under the Affordable Care Act (ACA) is a challenge for all employers. Here are the top five issues to keep on your radar as healthcare reform rolls out.

## The Employer Mandate

Under the ACA, large employers will be required to provide affordable healthcare insurance that meets minimum value to all full-time employees beginning in 2015. Final regulations issued in February clarify most aspects of how the mandate will be implemented.

## The Individual Mandate

Beginning January 1, 2014, all individuals are required to carry qualified health insurance known as “minimum essential coverage” or face penalties when they file taxes in the spring of 2015. In 2014, the penalty for noncompliance will be the greater of \$95 per uninsured person or 1% of household income over the filing threshold. This penalty will rise in 2015 and again in 2016.

## Wellness Programs

As health insurance costs rise, wellness programs are gaining popularity, but be cautious when designing and maintaining these benefits because they must conform to new ACA requirements and existing HIPAA nondiscrimination requirements.

## Reporting Requirements

Beginning in the spring of 2016, large employers will face a new reporting requirement for the 2015 calendar year. The Form 6056 will ask for information including:

- Contact information for the employer;
- The number of full-time employees; and
- For each full-time employee, information about the coverage (if any) offered to the employee, by month, including the lowest employee cost of self-only coverage offered.

## Automatic Enrollment And Nondiscrimination Regulations

Though enforcement of the automatic enrollment and nondiscrimination provisions of the ACA has not started, keep an eye out for regulations that will trigger compliance obligations. Employers with

over 100 employees should anticipate that in the next few years, they will be required to automatically enroll all full-time employees for health insurance coverage.

In addition, employers who offer varying levels of coverage or employer-provided subsidies based on classes of employees need to watch for nondiscrimination regulations.

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