

# The Affordable Care Act: What Colorado Businesses Need to Know

## 2010

- Temporary Small Business tax credit (2011 tax return)
- Children allowed to remain on parents' policy until age 26
- New high-risk pool, GettingUSCovered
- Ends health insurance rescissions except for fraud
- Temporary reinsurance assistance for early retirees
- Non-discrimination in favor of highly compensated employees\*
- No cost share for preventive care\*
- Decision about whether to maintain grandfathered health plan
- Eliminate lifetime limits
- Restricted annual limits on "essential health benefits"
- No pre-existing condition restrictions on children under 19
- Federal rate review process for carriers
- Unpaid break time and accommodations for nursing mothers

## 2014

- Individual requirement to obtain coverage
- Carriers required to guarantee issue coverage
- Carrier rating restrictions
- Health insurance "industry fee" (escalates to 2018)
- Essential benefits and insurance exchanges established
- No annual limits
- Automatic enrollment (effective date subject to future regulations)
- Definition of "full time" worker is 30 hours/week
- No pre-existing condition restrictions on all ages
- Individual subsidies for coverage
- Expansion of small employer tax credits
- Employer penalty if coverage not offered (>50 FTE) when one or more employees receive subsidies for coverage in the exchange
- Employers required to issue exchange "free choice" vouchers for certain employees
- No waiting periods greater than 90 days
- Financial incentives for wellness program participants allowed up to 30% of premium

## 2012

- 1099 reporting for business transactions of \$600 or more
- Annual reports to HHS on improving quality of care and wellness
- W-2 reporting of employer and employee share of premium (reported 2012)
- Uniform explanation of coverage

**2018**

**2017**

**2010**

**2011**

**2012**

**2013**

**2014**

**2013**

- Elimination of deduction for Part D subsidy
- Medicare taxes will increase for incomes in excess of \$200,000 per year
- FSA contributions limited to \$2,500. Cap does not apply to employer contributions
- Employees must be notified of the Exchange
- Health insurance fee to fund comparative effectiveness research

**2018**

- Federal tax on high-value benefit packages begins

**2011**

- Medical Loss Ratio (MLR) requirements for health plans (80% individual & small group; 85% large group)
- HSA and FSA limits on non-prescribed items
- Employers can participate in CLASS, federally subsidized long-term care
- Penalty for non-qualified HSA expenses increases to 20%
- Small groups can adopt a simple cafeteria plan
- Small group wellness credit available

**2017**

- Large employers may be eligible to purchase insurance through the exchange

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