



The Affordable Care Act: An Employers Guide to the Maze

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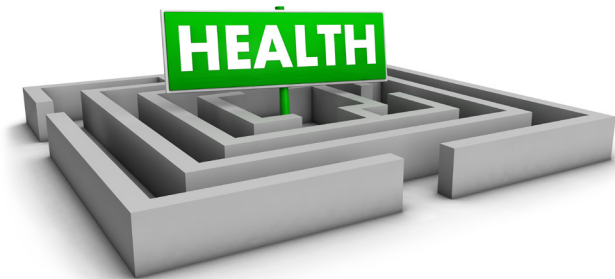


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There is a lot of confusion about the Affordable Care Act (ACA) and all that it entails. A recent Kaiser Family Foundation poll discovered that 52% of respondents did not know PPACA was a law. In case you're not inclined to read all 974 pages, our ACA guide will help you through the maze.

When it all began

The health care reform law was passed in two stages. On March 23, 2010, the Patient Protection and Affordable Care Act (PPACA) was enacted. Seven days later, the Health Care and Education Reconciliation Act (HCERA) was passed, making significant changes to PPACA. Jointly, the laws are referred to as the Affordable Care Act (ACA) and present a majority of health care changes in 2014.

The Intent

The law's intent is for all Americans to have health insurance either through an employer plan, purchase and maintain government-approved health insurance or pay a penalty to the IRS. The Act states that its goal is to *"increase the number of Americans covered by health insurance and decrease the cost of health care."*

The Challenge

The national consensus was to wait and see if the law was repealed before entering the ACA maze. Whether you support it, oppose it, like parts of it, or dislike parts of it, you need a plan to successfully get through the maze of ACA regulations, requirements and terminology.

Employers are faced with rising business and health care costs, yet need to attract quality talent and keep them on the payroll. An unhappy workforce could easily result in poor product and customer service, affecting your bottom line.

All employers need to manage their workforce data, administration costs and ensure ACA compliance. It's not too late to gain an understanding of this health care reform act so you can make the best decision for your business and workforce. Use this guide to work through the ACA maze and win!

The ACA Timeline

2013	
Health FSA \$2,500 limit on salary reduction contributions, indexed for inflation	Taxable years on or after January 1, 2013
HIPAA electronic transactions and operating rules	Staggered from January 2013 to January 2016
Medical expense tax deduction increase from 7.5% to 10% of AGI	Taxable years starting on or after January 1, 2013 (exception if individual or spouse is at least 65 for taxable years of 2013-2016)
Medicare tax increase of 0.9% for wages over \$200,000	Taxable years starting on or after January 1, 2013
First due date for payment of Patient-Centered Outcomes Research (PCOR) Fees via Form 720	Policy and plan years ending after October 1, 2012, and before October 1, 2019
Employer-provided Notice of Coverage Options available through the Health Insurance Marketplace	October 1, 2013, and thereafter for new employees
2014	
Annual limits, previously restricted, now prohibited on essential health benefits Section IX.A	Plan years starting on or after January 1, 2014
Automatic enrollment Section XXXI	Subject to issuance of regulations in 2014, likely delayed beyond 2014
Clinical trial coverage	Plan years starting on or after January 1, 2014 (grandfather exception)
Comprehensive health insurance coverage for individual & small group markets	Plan years starting on or after January 1, 2014 (grandfather exception)

Cost-sharing limitation for deductibles (individual & small group market) & out-of-pocket maximum (all group plans)	Plan years starting on or after January 1, 2014 (grandfather exception)
90-day waiting periods	Plan years starting on or after January 1, 2014
Health Insurance Marketplace coverage begins (open enrollment starts on October 1, 2013)	January 1, 2014
Fair health insurance premiums for individual & small group markets	Plan years starting on or after January 1, 2014 (grandfather exception)
Guaranteed availability of coverage	Plan years starting on or after January 1, 2014 (grandfather exception)
Guaranteed renewability of coverage	Plan years starting on or after January 1, 2014 (grandfather exception)
Nondiscrimination against health care providers	Plan years starting on or after January 1, 2014 (grandfather exception)
Nondiscrimination based on health status	Plan years starting on or after January 1, 2014 (grandfather exception)
Preexisting condition exclusion prohibition for all	Plan years starting on or after January 1, 2014
Reinsurance contributions	Jan 1, 2014 through Dec 31, 2016
Reporting of health insurance coverage	January 1, 2014
2015	
Shared responsibility for employers with more than 50 full-time equivalent employees (play or pay penalty tax)	January 1, 2015
Shared responsibility for individuals (individual mandate)	January 1, 2015
2018	
40% tax on high-cost health coverage ("Cadillac Plan Tax")	January 1, 2018

What's Your Compliance Plan?

Time and Attendance

You are going to be challenged to compile and maintain data to determine staffing, scheduling, time frame and control costs.

The ACA requirements demand more from employers, which means more time away from your business. A time and attendance system that fully meets your current and future needs is no longer a luxury. You must have a system that enables you to meet ACA requirements with the click of a mouse. The correct solution will help you:

- Determine if your company qualifies as a large company by taking into consideration your FTEs
- Monitor staffing hours for FTE count, benefits eligibility, control costs, scheduling, productivity
- Analyze data for look back, stability periods
- Variable hours employees (part-time, temporary, seasonal) can be tracked on a payroll basis during the look-back period
- Manage multiple FEINs within a controlled group to determine status
- Manage affordability
- Monitor worked hours for thresholds
- Avoid paying government penalties

Human Resources

With ACA requirements and deadlines looming, do you have time to enter the same data in multiple systems? Do you want to search for data or have all of your critical workforce data accessible anytime, anyplace so you can make informed decisions that benefit your business?

You can eliminate duplicate entry, increase efficiencies and reduce costs while you manage ACA requirements. Easily monitor employee classifications, benefits and changes in employee status from PT to FT - signaling benefits eligibility and enrollment with employee self-service.

And if you should receive an IRS invoice regarding a subsidy, you can easily respond or appeal with data from customized reports that you manage.

Your Reports, Your Way

ACA compliance may very well come down to the data you can provide. You need to track and document employee hours worked, provide historical records, look back and more to provide proof of ACA compliance. You can successfully control your ACA tasks and minimize your risks with reports you create to fit your needs.

Obtain quick answers to critical business needs and determine opportunities for improvement in staffing and/or processes. You can quickly, easily and accurately review real time data and detect issues before they become issues.

With the right tools and compliance plan, you can manage your workforce, increase employee satisfaction, make the best decisions for your business and get out of the maze.



Resources

The ACA continues to change the health care landscape, challenging employers to be in compliance. We are providing additional resources for you so you can be up to date and in compliance.

www.healthcare.gov

www.dol.gov/ebsa

www.cms.gov