



# LEGAL UPDATE

## HEALTH CARE REFORM TIMELINE (2/1/14)

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### 2014

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#### **January 1, 2014**

- Individual coverage mandate
- Expansion of wellness incentives from 20% to 30% with an extra 20% allowed for incentives to prevent tobacco use

#### **First day of first plan year beginning in 2014**

- No annual or lifetime dollar limits allowed
- No pre-existing condition exclusions allowed
- No waiting periods in excess of 90 days for full-time employees
- Automatic enrollment for new employees for employers with 200 or more employees (awaiting guidance)
- Cover routine medical costs of clinical trial (GF Exempt)
- Allow all dependents up to age 26 coverage even if they have other employer-sponsored coverage available
- Out of pocket maximum of \$6,350 for all in-network benefits administered by a single administrator (does not apply to grandfathered plans)

#### **Plans years ending on or after October 1, 2013 to 2019**

- PCOR fee imposed on plan sponsors (\$1 for first year filers and \$2 for second year filers multiplied by average number of covered lives for prior plan year) – due July 31st of the immediately following year following the end of the applicable plan year
- Plans must report number of covered lives for Temporary Reinsurance Fee. Fee is estimated at \$5.25 per covered life per month for 2014.

#### **November 5, 2014**

- Large health plans must obtain a Health Plan Identifier (small plans – November 5, 2015)

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### 2015

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#### **First day of first plan year beginning in 2015**

- Employer Shared Responsibility applies (“Pay or Play rule”) – applies to employers with 100 or more full time equivalent employees (working an average of at least 30 hours per week) and at least one full-time employee is eligible for premium assistance credits to purchase insurance through the State Exchange. (Delayed for employers with 50-99 employees until 2016).
- Out of pocket maximum applies for all in-network benefits included in plan

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### 2016

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#### **January 31, 2016**

- New information returns - Code Section 6055 (to plan member) and 6056 (to IRS) due for calendar year 2015

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### 2018

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#### **January 1, 2018**

- Excise Tax begins for “Cadillac Plans” (awaiting guidance)

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