

Summary of Health Care Reform Legislation – Major Provisions

How will health care reform affect your organization? Our dedicated team can help you find the answers by bringing you updates regarding health care reform legislation.

Summary of health care reform law effective dates		
Applicable Provisions	Effective Date for Grandfathered	Effective for Non-Grandfathered Plans
Grandfathered Coverage	Date of Enactment	Not Applicable
Annual Premium Review	Date of Enactment	Date of Enactment
Automatic Enrollment Required for Employers with more than 200 full-time employees offering coverage	Effective once regulations are issued by the Department of Labor	Effective once regulations are issued by the Department of Labor
Transitional Small Employer Tax Credit	Jan. 1, 2010	Jan. 1, 2010
Explanation of Coverage and Plan Summary Requirements	March 23, 2010	March 23, 2010
Temporary Reinsurance for Early Retirees	June 1, 2010	June 1, 2010*
Dependent Coverage Until Age 26	Plan years beginning on or after Sep. 23, 2010	Plan years beginning on or after Sep. 23, 2010
Pre-Existing Condition Limitation for Children Age 19	Plan years beginning on or after Sep. 23, 2010	Plan years beginning on or after Sep. 23, 2010
Lifetime and Annual Maximums	Plan years beginning on or after Sep. 23, 2010	Plan years beginning on or after Sep. 23, 2010
Rescissions	Plan years beginning on or after Sep. 23, 2010	Plan years beginning on or after Sep. 23, 2010
Cost-Sharing Ratio Requirements	Plan years beginning on or after Sep. 23, 2010	Plan years beginning on or after Sep. 23, 2010
Mandated Coverage for Preventive Care	Not Applicable	Plan years beginning on or after Sep. 23, 2010
Patient Protections – Access to Certain Healthcare Providers	Not Applicable	Plan years beginning on or after Sep. 23, 2010
Appeals and Claim Procedures	Not Applicable	Plan years beginning on or after Sep. 23, 2010
Extension of Nondiscrimination Rules to Insured Plans	Not Applicable	Plan years beginning on or after Sep. 23, 2010
Employer Reporting Requirements Regarding the Quality of Care	Not Applicable	Effective for plan years beginning on or after Sep. 23, 2010
Simple Cafeteria Plans for Small Employers (100 or fewer employees)	Jan. 1, 2011	Jan. 1, 2011
Reporting Health Care Costs on Form W-2	Taxable years beginning on or after Jan. 1, 2011	Taxable years beginning on or after Jan. 1, 2011
Over-the-Counter Drug Coverage under Flexible Spending Plans, Health Reimbursement Arrangements, Health Savings Accounts and Archer MSAs no longer Permitted	Taxable years beginning on or after Jan. 1, 2011	Taxable years beginning on or after Jan. 1, 2011
Maximum Amount of Salary Reduction Contributions Permitted under a Flexible Spending Plan Limited to \$2,500	Taxable years beginning after Dec. 31, 2012	Taxable years beginning after Dec. 31, 2012
Elimination of Deduction for Retiree Prescription Drug Subsidy	Effective for taxable years after Dec. 31, 2012	Effective for taxable years after Dec. 31, 2012
Penalties Applicable to Large Employers (at least 50 full-time employees in the preceding year) For Not Offering Coverage	Jan. 1, 2014	Jan. 1, 2014
Penalties Applicable to Large Employers (at least 50 full-time employees in the preceding year) For Offering Inadequate Coverage	Jan. 1, 2014	Jan. 1, 2014
Notice of Coverage Options	No later than March 1, 2013	No later than March 1, 2013

* expected to be established earlier than statutory effective date

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Summary of health care reform law effective dates (continued)		
Applicable Provisions	Effective Date for Grandfathered	Effective for Non-Grandfathered Plans
Employers Offering Coverage: Free Choice Vouchers for Certain Low-Income Employees	Jan. 1, 2014	Jan. 1, 2014
Large Employer Reporting to the IRS Regarding Covered Offered	Jan. 1, 2014	Jan. 1, 2014
Pre-existing Condition Limits Regardless of Age	Jan. 1, 2014	Jan. 1, 2014
No Waiting Periods of More than 90 Days	Jan. 1, 2014	Jan. 1, 2014
Coverage of Essential Benefits	Not Applicable	Jan. 1, 2014
Nondiscrimination as to Eligibility	Not Applicable	Jan. 1, 2014
Expanded Coverage for Clinical Trials	Not Applicable	Jan. 1, 2014
Annual Cost-Sharing and Deductible Limitations	Not Applicable	Jan. 1, 2014
Guarantees and Renewability Protections	Not Applicable	Jan. 1, 2014
Rate Protections	Not Applicable	Jan. 1, 2014
Coverage of Essential Benefits	Not Applicable	Jan. 1, 2014
Excise Tax on High-Cost Employer-Sponsored Health Coverage	Jan. 1, 2018	Jan. 1, 2018
Minimum Essential Coverage Requirements for Individuals	N/A	Jan 1, 2014
Premium Assistance Credit & Cost Sharing Credit	N/A	Jan 1, 2014
0.9% Medicare Tax on Unearned Income on High Income Individuals	N/A	Jan 1, 2013
Tax on Unearned Gains, Dividends & Interest for High Income Individuals	N/A	Jan 1, 2013

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Health care reform legislation and reforms will have a dramatic impact on the business of providing health care.

