



Supreme Court Upholds PPACA

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In a 5 to 4 decision issued this morning, the United States Supreme Court ruled that the Patient Protection and Affordable Care Act (PPACA) is constitutional. At issue was PPACA's requirement that individuals purchase health insurance or pay a penalty. The Court ruled that the individual mandate was within the authority of Congress to impose taxes.

Requirements such as the limitation on preexisting condition exclusions, the elimination of lifetime coverage limits, the phase-out of annual limits, claims procedures, and coverage of children to age 26 remain in effect.

Plan sponsors also must comply with the new PPACA requirements going into effect this year, such as the following:

- The Summary of Benefits and Coverage;
- Sixty-Day advance notice of material plan changes;
- Coverage of women's preventive health services;
- The \$2,500 limit on flexible spending arrangement reimbursements;
- Reporting of health coverage costs on Form W-2; and
- The comparative effectiveness research fee.

Williams Mullen will provide you with additional alerts as we review the details of the decision.

If you have any questions, please contact any member of the Williams Mullen employee benefits team.

Related People

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