



Employer Healthcare Mandate Delayed

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The Treasury Department announced yesterday that it will delay enforcement of the employer shared responsibility payment requirement under the Affordable Care Act (ACA) until 2015. Employers will not be required to offer health insurance until January 1, 2015.

The ACA requires “applicable large employers”, those employing least fifty full-time employees, to offer affordable health insurance or face penalties. Whether an employer is an “applicable large employer” for any year is determined based on the number of full-time employees (and full-time equivalent employees) the employer employed during the previous calendar year. The ACA provides that this so-called “play or pay” requirement is effective January 1, 2014. Under the action taken yesterday by the Treasury Department, however, employers will not be required to comply with the pay or play requirement until 2015. Accordingly, 2014 payroll, rather than 2013 payroll, will determine whether an employer is an “applicable large employer” subject to the rule.

Williams Mullen will continue to monitor ACA developments. If you have questions, please contact any member of the Williams Mullen employee benefits group.

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