

ACA AT-A- GLANCE

IMPORTANT PROVISIONS FOR YOU AND YOUR EMPLOYEES



2020

- The Medicare “doughnut hole” prescription drug benefit gap is completely closed. Seniors pay 25 percent of drug costs until they reach the threshold for catastrophic coverage, at which point their copays are only 5 percent.
- Excise (or “Cadillac”) Tax goes into effect establishing an annual limit on the cost of employer-sponsored health coverage. Any amount past the threshold is taxed at 40%.
 - [Get the details](#) on the Excise Tax.



2016

- First reporting of coverage information to the IRS for compliance purposes (tax year 2015 workforce information).
 - [Review the required IRS forms](#) your business will need to file.
- For this tax year, mandate applies to employers with over 50 full-time equivalent employees.
- Interstate health compacts may be created to allow a group of states to have the primary responsibility for regulating health care goods and services in their region.
- Several updates to penalty numbers and thresholds from 2015.
 - [See what's changing.](#)



2015

- “Pay or Play” mandate in effect, requiring applicable large employers (ALEs) to provide health benefits to their workforce or pay a penalty known as the Employer Shared Responsibility Payment.
 - [Learn more](#) about the mandate, and [how to calculate potential penalties.](#)
- For this tax year, mandate applies to employers with over 100 full-time equivalent employees.
- Provisions to encourage doctors’ income to be based on quality, not quantity, of care.
- Increase in federal matching for the Children’s Health Insurance Program (CHIP)



2014

- No denial of coverage based on pre-existing conditions. Insurance premiums may vary based only on family size, age, geography, and tobacco use.
- Transitional reinsurance program begins to alleviate costs to insurers.
 - [Uncover](#) the specifics of this provision.
- Individual mandate requiring “minimum essential coverage” for any unexempted American.
 - [Learn all about](#) the individual mandate.
- Medicaid expanded to cover more low-income families (and childless adults).
- Health insurance marketplaces (also called “health exchanges”) opened to help compare plans and purchase coverage.
 - [Get more info](#) on how employees and small businesses can use the marketplaces.
- IRS Updates to calculation of premium tax credits.
 - [Learn more](#) to ensure accuracy and compliance.