Affordable Care Act (ACA) Implementation Time Line

2010

- Small employer tax credit (March 2010)
- Creation of Early Retiree Reinsurance Program (established June 2010; closed to new applicants in May 2011)
- Annual limit restrictions for "essential health benefits" (plan years after September 2010)
- Adult child coverage required to age 26 regardless of marital status, residency or school attendance; applies to grandfathered plans if child does not have access to other coverage before January 2014 (plan years after September 2010)
- Lifetime benefit limit restrictions for "essential health benefits" (plan years after September 2010)
- Elimination of preexisting condition exclusions for covered children under age 19 (plan years after September 2010)
- Preventive care coverage requirements (does not apply to grandfathered plans; plan years after September 2010)
- Health care plan rescission restriction: health care coverage cannot be terminated except in cases of fraud (plan years after September 2010)
- Installation of internal and external appeals process (does not apply to grandfathered plans; plan years after September 2010)

2011

- Simple cafeteria plans can be established by small employers; these plans offer a safe harbor from nondiscrimination rules (January 2011)
- Penalty for nonqualified health savings accounts withdrawals, increase in excise tax from 10% to 20% (January 2011)
- Elimination of reimbursement of over-the-counter drugs without a prescription for flexible spending accounts, health savings accounts or health reimbursement arrangements (tax years beginning January 2011)

2012

- Employer W-2 Form reporting requirements for cost of health care coverage (tax years beginning January 2012)
- Uniform explanation of coverage requirement: employer required to provide participants a summary of benefits and coverage explanation prior to enrollment (open enrollment periods or plan years after September 2012)
- Fee per covered individual charged to health plan sponsors and insurance companies to fund the Patient-Centered Outcomes Research Institute (PCORI) (policy or plan years ending after September 2012; fee is first due July 2013; fee will end in 2019)

2013

- Flexible spending account annual employee contribution limit capped at $2,500 (January 2013)
- Additional Medicare payroll tax: for high-income individuals (January 2013)
- Medicare Part D retiree drug subsidy loses tax-exempt status (January 2013)
- Employee notice of coverage options in exchanges (before October 2013)

2014

- Individual health care coverage mandate or penalty tax for no coverage (January 2014)
- Elimination of annual limits in health plans except for annual limits on specific covered benefits that are not "essential health benefits" (January 2014)
- Plans must limit annual participant out-of-pocket maximum to the limit imposed on health savings account-compatible high-deductible health plans (does not apply to grandfathered plans; plan years after January 2014)
- Qualified health plans offered through a state exchange and insurers in the small and individual markets must include "essential health benefits" and meet a specified actuarial benefit value (does not apply to grandfathered plans; January 2014)
- Creation of health exchanges, marketplaces that allow individuals and eligible employers to purchase health insurance (January 2014)
- Elimination of preexisting condition exclusions for all participants (January 2014)
- Waiting period limitation, maximum of 90 days (January 2014)
- Increases in maximum wellness incentives, from 20% to 30% of the cost of coverage, with possibility of increase to 50% (January 2014)
- Fee charged to health insurance issuers and certain plan administrators on behalf of self-insured group health plans for transitional reinsurance program (years 2014-2016)

2015

- Large employers with 100 or more employees must offer coverage to full-time employees (30 hours or more per week) or pay penalty; coverage must be affordable and meet minimum standards (voluntary compliance January 2014; enforcement delayed until January 2015)

2016

- Employers with 50 to 99 employees must offer coverage to full-time employees (30 hours or more per week) or pay penalty; coverage must be affordable and meet minimum standards (January 2016)

TBD

- Large plan auto enrollment requirement: plans must automatically enroll all new full-time employees and continue enrollment of current employees (after final regulations are issued)
- Nondiscrimination rules apply to insured plans (after final regulations are issued)
- Quality of care reporting requirement to Department of Health and Human Services and enrollees: annual report on whether plan fulfills quality requirements (after final regulations are issued)

2018

- Excise tax on high-cost group health plans: tax imposed on value of "excess" coverage (January 2018)

MK140207

PDF-314