

# The Affordable Care Act – Timeline for Implementation

## 2010

### Changes for Retirees:

- Reimbursement to employers for early retiree costs
- \$250 rebate to seniors who hit the Medicare Part D "doughnut hole"

## 2011

### System Changes:

- Health Savings Account withdrawal penalty increases to 20%
- Tax credits for small businesses begin (employers with <25 full time employees, who pay 50% of costs of coverage)
- Doughnut hole phase-out continues

### All Plans Must:

- Extend coverage to adult children to age 26
- Eliminate lifetime dollar limits
- Raise annual limits to \$750,000 for essential benefits
- Cover children (to age 19) with pre-existing conditions

### New and Non-Grandfathered Plans Must:

- Provide 100% Coverage of Preventive Care
- Cover Emergency Room, without pre-authorization
- Cover OB-GYN and pediatricians without referrals
- Establish appeals processes
- Include system changes
- Exclude over the counter drugs from Flexible Spending Accounts (FSAs)

## 2012

### All Plans Must:

- Raise annual limits to \$1,250,000 for essential benefits
- Give an annual summary of benefits to applicants and participants
- Give 60 days notice of substantive modifications to the plan
- Report 2011 cost of coverage on W-2 forms (optional)

## **2013**

### **All Plans Must:**

- Raise annual limits to \$2,000,000 for essential benefits
- Cap Flexible Spending Account contributions at \$2,500 per year
- Report 2011 cost of coverage on W-2 forms (mandatory)

### **System Changes:**

- Change tax treatment for employers Medicare Part D subsidy
- Raise Medicare tax on wages over \$200,000/\$250,000 for joint filers
- Tax unearned income of high income taxpayers

## **2014**

### **All Plans Must:**

- Accept anyone regardless of pre-existing conditions
- Have a waiting period not longer than 90 days
- Have no limit on annual expenses for essential benefits

### **New and Non-Grandfathered Plans Must:**

- Not exceed Out of Pocket Maximum legal limit for High Deductible Plans (2013 maximum: \$1,250 single and \$2,500 family)

### **System Changes:**

- Health Insurance Exchanges become operational
- Medicaid eligibility expands
- Tax Credits for Small Businesses increases to half the cost of health coverage (employers with <25 full time employees, who pay 50% of costs of coverage)
- Individual insurance market reforms go into effect
- Individuals **MUST** have health insurance coverage or pay a penalty

## **2015**

### **System Changes:**

- Large employers (>50 workers) will pay penalties if they don't offer coverage to full-time workers (\$2,000 per worker) or if that coverage is not comprehensive and affordable (\$3,000 per worker that opts-out for subsidized coverage on the exchanges)

## **2016**

### **System Changes:**

- Allow sales of health insurance across state lines

## **2018**

### **System Changes:**

- Excise tax on high-cost health plans assessed