

Employer Mandates Now Delayed Until 2016!

Labor & Employment Law Update

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The Affordable Care Act ("ACA") originally scheduled the employer mandates to take effect in 2014. Then, on July 2, 2013, the White House announced that it would delay enforcement of the employer mandate provisions from 2014 to 2015. Now – in line with the over-arching theme of the ACA which seems to be last minute postponement of regulations frustrating those proactively trying to ensure compliance — the IRS has now released new guidance further delaying the employer mandate until 2016 *for those employers with less than 100 full-time employees*.

Employers with *more* than 100 full-time employees were provided with some relief as well. Instead of following the 95% test for determining whether they "offer" coverage to all full-time employees, these employers will now only need to offer coverage to 70% of their full-time employees during 2015.

The 227-page guidance from the IRS issues some clarification in regards to several other areas associated with the employer mandate provisions:

- Clarification on several categories of employees such as volunteers, educational employees, seasonal employees, student workers, adjunct faculty, airline industry employees, on-call employees, home care workers, agricultural employees holding H-2A and/or H-2B visas, and cruise ship workers
- Transitional relief – clarification and guidance on a phase in of the employer mandate provisions
- Clarification on the identification of "full-time" employees
- Further interpretation on the look-back, measurement and administrative period applied to "variable" hour employees, including those employed by temporary staffing firms
- Clarification on the "affordability" safe harbors for employers

Additional delays and transition rules for non-calendar year plans and dependent coverage

Ironically, Health Care Reform continues to increase in complexity with each effort at clarification.

To read the full 227-page rule, please [click here](#). As this is a hot topic, we would like to alert you to an upcoming presentation to discuss Health Care Reform Updates on February 19th in Bolingbrook, IL.

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