

EMPLOYER AFFORDABLE CARE ACT NOTICE - DEADLINE DELAYED

The Affordable Care Act requires employers who are subject to the Fair Labor Standards Act to provide each employee a written notice of certain rights and information. This notice was to be provided no later than March 1, 2013 to current employees and to any employees hired after that date. However, the U.S. Department of Labor has delayed the effective date until regulations are issued and become applicable. The DOL also indicated that it is considering providing a model notice and that it expects the timing for the distribution of notices to be late summer or fall of 2013 to align with open enrollment for the Exchanges.

Ultimately, once the regulations are issued the employer notice must:

- Inform the employee of the existence of state health insurance Exchanges, including how to contact the Exchanges for assistance;
- State that the employee may be eligible for a premium tax credit to purchase coverage through an Exchange if the employer's group health plan does not provide a certain minimum level of coverage; and
- State that if the employee purchases coverage through an Exchange, then the employee may lose the employer contribution to the employer's group health plan, which may be excludable from income.

We will keep you informed as this issue develops.

If you have questions, please contact Steve Lyman at slyman@hallrender.com or 248.457.7870 or your regular Hall Render attorney.