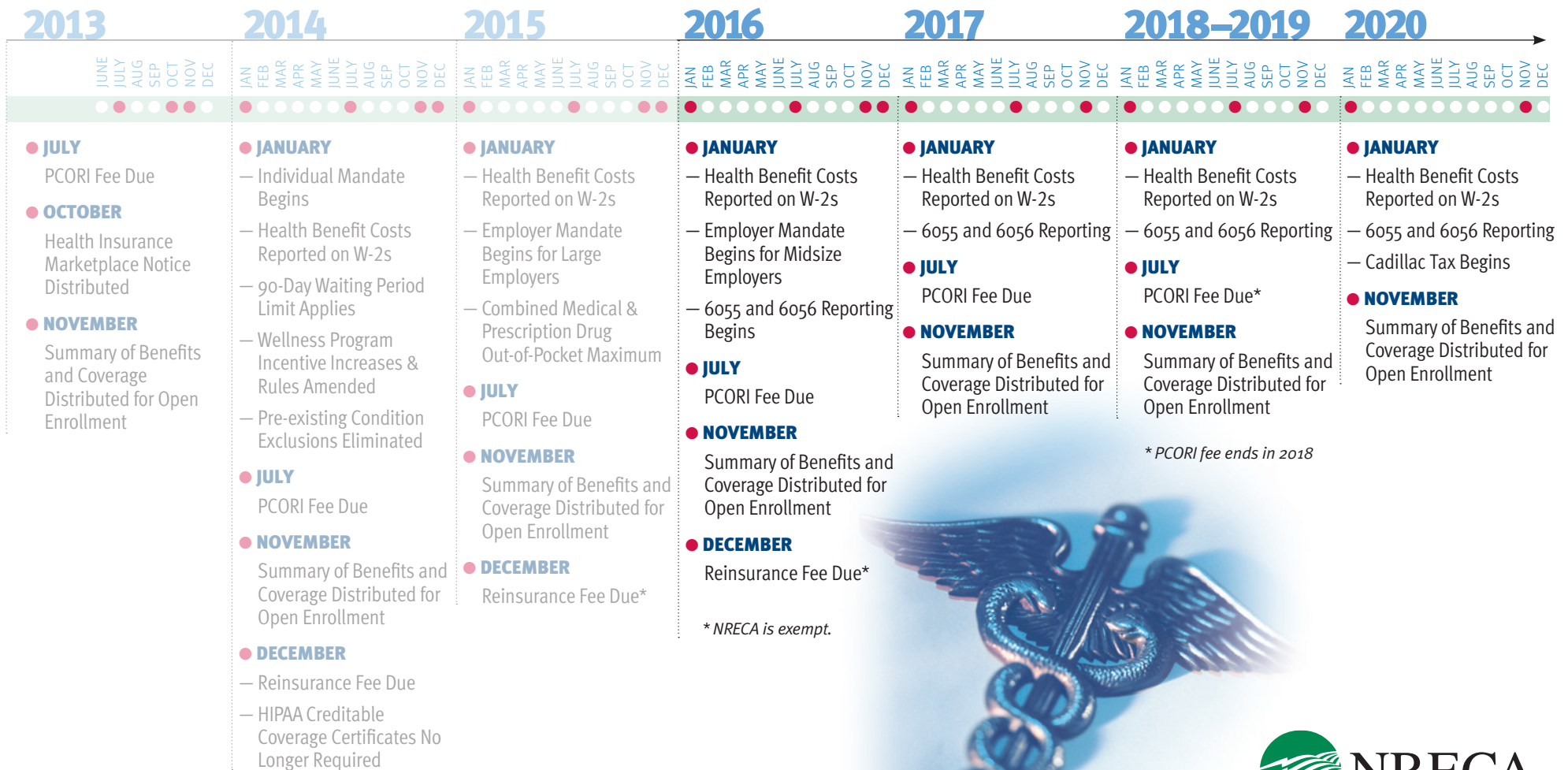


# Affordable Care Act Timeline for Co-ops

This timeline shows upcoming Affordable Care Act requirements and deadlines for cooperatives in medical plans sponsored by NRECA and for co-ops that sponsor 125 Plan health flexible spending accounts (health FSA) and health reimbursement arrangements (HRAs) administered by Cooperative Benefit Administrators (CBA). The timeline assumes that all plans are calendar-year plans.



## 2013

### JULY

- **Patient-Centered Outcomes Research Institute (PCORI) Fee due July 31.** The fee is \$1 per covered life. Plan sponsors are responsible for paying the fee. NRECA pays fee for NRECA plans. For HRA plans administered by CBA, co-ops are the plans sponsors and are responsible for paying the applicable fee. *Action: Plan sponsors (NRECA for NRECA plans; co-ops for HRAs)*

### OCTOBER

- **Health Insurance Marketplace, or state health insurance exchange, notice** must be distributed by co-ops to employees **by October 1.**  
*Action: Co-ops*

### NOVEMBER

- **Summary of Benefits and Coverage** must be distributed by co-ops to employees by the **earlier of November 1**, when open enrollment begins, **or when open enrollment materials are delivered.**  
*Action: Co-ops (NRECA prepares SBCs)*

## 2014

### JANUARY

- **Individual (minimum essential coverage) mandate.** All U.S. citizens must have minimum essential coverage, which is coverage under certain government-sponsored plans, employer-sponsored plans, with respect to any employee; plans in the individual market; grandfathered health plans; and any other health benefits coverage, such as a state health benefits risk pool, as recognized by the HHS Secretary. The penalty for noncompliance is a personal tax of the greater of \$695 per person (up to \$2,085 per family) or 2.5 % of household income per year.  
*Action: All U.S. citizens*
- **Report health benefit costs on W-2s.** Employers report the aggregate cost of employer-sponsored health coverage under a group health plan that is excludable from employees' gross income. This includes both employer and employee costs for medical and prescription drug coverage, as well as for dental plans and non-VSP vision plans that are 100% employer-paid. Employer contributions, determined by a formula, to 125 Plan health FSAs also are included. Contributions to HSAs and employee salary deferrals to health FSAs are excluded. Employers also don't need to report contributions to HRAs until further guidance is issued. *Action: Co-ops*

- **90-day waiting period limit.** ACA 90-day limit for waiting periods begins. For NRECA plans, waiting periods of 3 months, first of the month after 3 months, 4 months, 6 months and 1 year will no longer be available beginning with the 2014 annual renewal to meet this requirement.
- **Wellness program incentives** can be up to 30% of the premium. Health-contingent wellness programs, those in which participants must maintain or achieve a certain health outcome to receive a reward, are only allowed if they satisfy certain requirements.
- **Pre-existing condition exclusions are eliminated.** NRECA plans are already in compliance.
- **Annual dollar limits on essential health benefits eliminated.** NRECA plans are already in compliance.

### JULY

- **Patient-Centered Outcomes Research Institute (PCORI) Fee due July 31.** The fee is \$2 per covered life. *Action: Plan sponsors (NRECA for NRECA plans; co-ops for HRAs)*

*continued*

## 2015

### NOVEMBER

- **Summary of Benefits and Coverage** must be distributed by co-ops to employees by the **earlier of November 1**, when open enrollment begins, **or when open enrollment materials are delivered.**  
*Action: Co-ops (NRECA prepares SBCs)*

### DECEMBER

- **Reinsurance fee due December 15.** This fee is imposed on fully-insured and self-insured plans to fund the transitional reinsurance program from 2014 to 2016. The fee for 2014 is \$63 per covered life (or \$5.25 per month) for a total amount to be collected of \$12 billion. (HIPAA-excepted dental and vision plans and HSAs and health FSAs are exempt from the fee. HRAs are excluded if they're integrated with major medical coverage.)  
*Action: NRECA*
- **A HIPAA certificate of creditable coverage will no longer be required as of December 31.**

### JANUARY

- **Report health benefit costs on W-2s.**  
*Action: Co-ops*
- **Employer mandate begins for large employers.** This requirement was delayed from January 2014 to January 2015. It was delayed again for midsize employers (50–99 full-time and full-time equivalent employees) until 2016. It takes effect for large employers (100+ full-time and full-time equivalent employees) on January 1, 2015. The full requirement subjects employers with 50 or more full-time and full-time equivalent employees to a penalty for each month in which any full-time employees are covered by the Health Insurance Marketplace (state health insurance exchange) and receive a premium tax credit to subsidize their coverage, and either (1) the employer fails to offer full-time employees (and their dependents) minimum essential coverage under an employer-sponsored plan, or (2) the employer offers full-time employees (and their dependents) minimum essential coverage that—with respect to employees with the premium tax credit—is either “unaffordable” or “fails to provide minimum value.” Large employers will be subject to information reporting requirements under sections 6055 and 6056 of the Internal Revenue Code.  
*Action: Co-ops (100 or more full-time and full-time equivalent employees)*

- **Combined medical & prescription drug out-of-pocket total cost share.** Out-of-pocket cost shares are combined into a single total cost share for medical and prescription drug plans. High-deductible health plans already have a combined total cost share amount. The total cost share consist of the plan's deductible and annual out-of-pocket coinsurance amounts. All copays and coinsurance accumulate toward the total cost share. Once it is reached, the plan begins to pay eligible benefits at 100%. The total cost share limit for 2015 cannot exceed \$6,600 for individuals and \$13,200 for families.  
*Action: NRECA*

### JULY

- **Patient-Centered Outcomes Research Institute (PCORI) Fee due July 31.** The fee is the prior year's dollar amount plus an adjustment for medical inflation. *Action: Plan sponsors (NRECA for NRECA plans; co-ops for HRAs)*

### NOVEMBER

- **Summary of Benefits and Coverage** must be distributed by co-ops to employees by the **earlier of November 1**, when open enrollment begins, **or when open enrollment materials are delivered.**  
*Action: Co-ops (NRECA prepares SBCs)*

### DECEMBER

- **Reinsurance fee due December 15.** The NRECA Medical Plan is exempt from the reinsurance fee for 2015. *Action: None (NRECA)*

*continued*

## 2016

### JANUARY

- **Report health benefit costs on W-2s.**  
*Action:* Co-ops
- **Employer mandate begins for midsize employers.**  
This requirement goes into effect on January 1, 2016 for midsize employers (50–99 full-time or full-time equivalent employees). *Action:* Co-ops (50 or more full-time and full-time equivalent employees)
- **Individual mandate (minimum essential coverage) and employer mandate tax reporting (sections 6055 and 6056).** Tax returns are due to responsible individuals by March 31 (extended from February 1 for 2016). Filing deadlines are May 31 for paper filings (extended from February 29 for 2016) or June 30 for electronic filings (extended from March 31 for 2016). *Action:* Employers of all sizes—health insurers file tax forms for fully-insured plans and the employer (sponsor) files for self-funded, multiple employer plans like the NRECA Medical Plan (6055 reporting); Employers with 50 or more full-time or full-time equivalent employees (6056 reporting)

### JULY

- **Patient-Centered Outcomes Research Institute (PCORI) Fee due July 31.** The fee is the prior year’s dollar amount plus an adjustment for medical inflation. *Action:* Plan sponsors (NRECA for NRECA plans; co-ops for HRAs)

### NOVEMBER

- **Summary of Benefits and Coverage** must be distributed by co-ops to employees by the **earlier of November 1**, when open enrollment begins, **or when open enrollment materials are delivered.**  
*Action:* Co-ops (NRECA prepares SBCs)

### DECEMBER

- **Reinsurance fee due December 15.** The NRECA Medical Plan is exempt from the reinsurance fee for 2016. *Action:* None (NRECA)

## 2017

### JANUARY

- **Report health benefit costs on W-2s.**  
*Action:* Co-ops
- **Individual mandate (minimum essential coverage) and employer mandate tax reporting (sections 6055 and 6056).** Tax returns are due to responsible individuals by January 31. Paper filings are due February 28 and electronic filings are due March 31. *Action:* Employers of all sizes—health insurers file tax forms for fully-insured plans and the employer (sponsor) files for self-funded, multiple employer plans like the NRECA Medical Plan (6055 reporting); Employers with 50 or more full-time or full-time equivalent employees (6056 reporting)

### JULY

- **Patient-Centered Outcomes Research Institute (PCORI) Fee due July 31.** The fee is the prior year’s dollar amount plus an adjustment for medical inflation. *Action:* Plan sponsors (NRECA for NRECA plans; co-ops for HRAs)

### NOVEMBER

- **Summary of Benefits and Coverage** must be distributed by co-ops to employees by the **earlier of November 1**, when open enrollment begins, **or when open enrollment materials are delivered.**  
*Action:* Co-ops (NRECA prepares SBCs)

*continued*

## 2018–2019

### JANUARY

- **Report health benefit costs on W-2s.**  
*Action:* Co-ops
- **Individual mandate (minimum essential coverage) and employer mandate tax reporting (sections 6055 and 6056).** Tax returns are due to responsible individuals by January 31. Paper filings are due February 28 and electronic filings are due March 31.  
*Action:* Employers of all sizes—health insurers file tax forms for fully-insured plans and the employer (sponsor) files for self-funded, multiple employer plans like the NRECA Medical Plan (6055 reporting); Employers with 50 or more full-time or full-time equivalent employees (6056 reporting)

### JULY

- **Patient-Centered Outcomes Research Institute (PCORI) Fee due July 31.** The fee is the prior year's dollar amount plus an adjustment for medical inflation. The PCORI fee won't be assessed after plan year 2018. *Action:* Plan sponsors (NRECA for NRECA plans; co-ops for HRAs)

### NOVEMBER

- **Summary of Benefits and Coverage** must be distributed by co-ops to employees by the **earlier of November 1**, when open enrollment begins, **or when open enrollment materials are delivered.**  
*Action:* Co-ops (NRECA prepares SBCs)

## 2020

### JANUARY

- **Report health benefit costs on W-2s.**  
*Action:* Co-ops
- **Individual mandate (minimum essential coverage) and employer mandate tax reporting (sections 6055 and 6056).** Tax returns are due to responsible individuals by January 31. Paper filings are due February 28 and electronic filings are due March 31.  
*Action:* Employers of all sizes—health insurers file tax forms for fully-insured plans and the employer (sponsor) files for self-funded, multiple employer plans like the NRECA Medical Plan (6055 reporting); Employers with 50 or more full-time or full-time equivalent employees (6056 reporting)

- **“Cadillac Tax” begins (extended from 2018).** A 40% excise tax will be imposed on the value of health insurance benefits exceeding certain cost thresholds for individual coverage and family coverage, which will be indexed to inflation. The thresholds increase for individuals in high-risk professions, such as electric line workers, and for employers that have a disproportionately older population. *Action:* Health insurers and plan administrators

### NOVEMBER

- **Summary of Benefits and Coverage** must be distributed by co-ops to employees by the **earlier of November 1**, when open enrollment begins, **or when open enrollment materials are delivered.**  
*Action:* Co-ops (NRECA prepares SBCs)