



Health care reform at-a-glance

Health insurance exchanges: Temporary guidance on employee notifications

The Affordable Care Act (ACA or health care reform law) added a section to the Fair Labor Standards Act (FLSA) that said an applicable employer must provide a written notice to each existing employee no later than March 1, 2013, and to new hires beginning on that date. But on January 24, 2013, the Department of Labor (DOL) put out an FAQ that recognized that was an unrealistic deadline.

On May 8, 2013, the DOL provided an update with temporary guidance and templates of the required notices. Starting on October 1, 2013, the notices have to be given to new employees on the day they are hired. The notices have to be given to existing employees no later than October 1, 2013.

The notices will have information that...

1. tells employees about exchanges including a description of the services provided and how they can contact exchanges to request assistance;
2. lets employees know they may be eligible for a premium tax credit if the employer plan's does not cover at least 60 percent of the total allowed cost of benefits, and the employee buys a qualified health plan through an exchange;
3. explains that if the employee buys a qualified health plan through an exchange, he or she may lose the employer contribution (if any) to any health benefit plan the employer offers, and that all or a portion of the contribution may be excluded from income for Federal tax purposes.

The [Technical Release 2013-02](#) also provided the following templates to help employers create the notices:

- [Model notice for employers who offer a health plan to some or all employees](#)
- [Model notice for employers who do not offer a health plan](#)
- [COBRA model election notice](#) (Microsoft Word format)
- [COBRA model election notice redline version](#) (Microsoft Word format)

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