



## Health care reform at-a-glance

# Health insurance exchanges: Employee notification deadline extended

The Affordable Care Act (ACA or health care reform law) added a section to the Fair Labor Standards Act (FLSA), that says an applicable employer must provide each employee at the time of hiring (or with respect to current employees, no later than March 1, 2013), a written notice:

1. Informing the employee of the existence of exchanges including a description of the services provided by the Exchanges, and the manner in which the employee may contact exchanges to request assistance;
2. If the employer plan's share of the total allowed costs of benefits provided under the plan is less than 60 percent of such costs, that the employee may be eligible for a premium tax credit under section 36B of the Internal Revenue Code (the Code) if the employee purchases a qualified health plan through an exchange; and
3. If the employee purchases a qualified health plan through an exchange, the employee may lose the employer contribution (if any) to any health benefits plan offered by the employer and that all or a portion of such contribution may be excludable from income for Federal income tax purposes.

The [FAQ](#) issued by the Department of Labor (DOL) on January 24, 2013 recognized that the initial March 1, 2013 notification deadline is unrealistic and will not take effect on March 1, 2013. The new FAQ indicates that the agency will issue additional guidance in the future, moving the implementation date to late summer or fall of 2013.

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