



BENEFIT NEWS BRIEFS

Employers Must Provide Written Notice Concerning Health Care Exchanges No Later Than March 1, 2013

[Section 1512](#) of the *Affordable Care Act (ACA)* amended the *Fair Labor Standards Act of 1938 (FLSA)* by adding a new section 18B (codified at 29 USC 218(b)) which imposes a new notice requirement on employers. At this time, no regulations, guidance or model notices have been issued. According to industry reports, a model notice is expected to be issued before the March 1, 2013 deadline. Although some are predicting a delayed notice date.

This requirement is for EMPLOYERS, *not* health plans. This is similar to the requirement that employers, not health plans, provide the CHIP notice. The new requirement says an employer covered by the FLSA (most employers) shall provide a written notice: (1) to each current employee, not later than March 1, 2013, and (2) to each new employee at the time of hiring. The notice shall inform the employee:

- (1) about the local state or federal health exchange (Exchange), describe the services provided by the Exchange, and how an employee may contact the Exchange to request assistance;
- (2) that the employee may be eligible for a premium tax credit and a cost sharing reduction if the employee buys a qualified health plan (QHP) from the Exchange if the employer health plan provides less than "minimum value" (60% of the value of benefits), and
- (3) that if the employee purchases a QHP through the Exchange, the employee may lose the employer contribution to any health plan offered by the employer.

How this last item applies to multiemployer plan employers who must contribute to the plan pursuant to a collective bargaining agreement is one of the many areas where guidance on applying the law/regulations to multiemployer health plans and contributing employers is needed.

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