

Treasury Announces Delay in Implementation of ACA Employer and Insurer Reporting Requirements and Employer Shared Responsibility Payments

Responding to concerns expressed about the complexity of the new employer and insurer reporting requirements under the Affordable Care Act scheduled to take effect in 2014, the Department of the Treasury informally announced via its [Treasury Notes Blog](#) that it will delay by one year the implementation of these requirements. Importantly, because this delay will “make it impractical to determine which employers owe shared responsibility payments (under section 4980H) for 2014,” Treasury has also announced that these payments will not apply for 2014.

This delay is intended to provide more time for the Obama Administration to consider ways to simplify the reporting requirements and for employers to adapt health care coverage and reporting systems as they consider their options under the ACA.

Treasury has indicated that it will provide more formal guidance within the coming week that will describe in more detail the transition relief available, and we will provide an updated alert at that time. In the meantime, although the transition relief eliminates the immediate need to consider and redesign plans and systems before January 2014 to meet the Affordable Care Act’s reporting and shared responsibility requirements, we encourage employers to continue to review their health plan coverage and assess their options. While this delay may ensure that Affordable Care Act implementation will proceed more smoothly, it does not change the issues employers need to consider in designing their future health insurance strategy.