



AN AMERICAN SOLUTION QUALITY AFFORDABLE HEALTH CARE

HEALTH REFORM AT A GLANCE: EMPLOYERS AND HEALTH REFORM

America's Affordable Health Choices Act will continue the principle of shared responsibility. It will also help employers pay for such plans and give them access to more comprehensive and fairer markets and regulations.

EMPLOYER-RELATED PROVISIONS

FOR SMALL EMPLOYERS

- Provides access to the new Health Insurance Exchange, giving them the benefits of large-group rates normally enjoyed only by large employers, lower administrative costs, greater transparency, and the ability to offer greater choice of plans to their employees.
- Reforms rating rules so that small employers no longer pay higher premiums if they employ a sicker workforce.
- Assures costs of plans for small businesses will be stabilized.
- Provides a tax credit to assist small employers who want to offer coverage.
- Exempts small businesses from the "Pay-or-Play" requirements (see below) and phases in graduated rates as payroll increases.

FOR LARGER EMPLOYERS

- Leave insurance plans offered by larger employers generally unaffected, particularly for the first five years. After that employers can no longer place annual or lifetime caps on coverage.
- Require that larger employers, however, must comply with the "Pay-or-Play" requirements (that is, they must offer insurance to their employees or pay a payroll tax of 8 percent).
- Over time, businesses of all sizes may participate in the Health Insurance Exchange.

FOR ALL EMPLOYERS

- Will benefit as costs for the uninsured are no longer cost shifted onto employers.
- Provide cost control measures designed to increase employers' competitiveness.
- Reform health care delivery system to improve quality, including in employers' health plans.