

Affordable Care Act Milestones for America's Small Businesses

2010 - The Affordable Care Act Becomes Law

- Many small businesses become eligible for tax credits worth up to 35% of the employer's contribution to the employees' health insurance to help them provide insurance benefits to their workers. Small non-profit organizations may receive up to a 25% credit.
- A new Patient's Bill of Rights goes into effect, protecting consumers from the worst abuses of the insurance industry.

2011 - The Affordable Care Act Holds Insurance Companies Accountable

- To ensure premium dollars are spent primarily on medical care, the law's "80/20" rule requires that at least 80% of premium dollars collected by insurance companies for individuals and small employers must be spent on benefits and quality improvement.
- Another tough reform requires insurance companies to publicly justify premium rate increases, holding insurers accountable to the small businesses they serve, which has led to a sharp decline in double-digit rate hikes.
- To date, these two protections alone have already saved small businesses and consumers more than \$2 billion.

2012 - The Affordable Care Act Reduces Administrative Costs and Burdens

- Effective in October, the law institutes a series of changes to cut costs and improve care by standardizing billing and requiring health plans to begin implementing rules for the secure, confidential, electronic exchange of health information.

2013 - Open Enrollment in the Marketplaces Begins

- On October 1st, individuals and small businesses can buy affordable benefit plans by enrolling in the new Individual and Small Business Health Insurance Options Program (SHOP) Marketplaces.
- For the first time, individuals and business owners are able to make side-by-side comparisons to find a plan that fits their budget and that's right for their families, businesses, and employees. Initial enrollment is available over a six-month period.

2014 - The Marketplaces Open

- Individual and SHOP Marketplaces open in all 50 states and the District of Columbia on January 1.
- Tax credits for eligible small businesses participating in the SHOP Marketplace go up to 50% (35% for non-profits). Individuals and the self-employed may qualify for premium tax credits and cost sharing subsidies as well.
- Effective January 1, employers with 50 or more full-time or full-time equivalent (FTE) employees must offer minimum essential coverage to all full-time employees or be subject to a potential Employer Shared Responsibility payment.
- Also starting January 1, self-employed individuals must have health insurance that meets the minimum essential coverage standards, qualify for an exemption, or be subject to an assessable payment.