

# ***ADVISORY***

## **FROM THE COMMITTEE ON WAYS AND MEANS SUBCOMMITTEE ON HEALTH**

FOR IMMEDIATE RELEASE

CONTACT: (202) 225-3625

April 1, 2014

No. HL-10

### **Chairman Brady Announces Hearing on the Treasury Department's Final Employer Mandate and Employer Reporting Requirements Regulations**

House Ways and Means Health Subcommittee Chairman Kevin Brady (R-TX) today announced that the Subcommittee on Health will hold a hearing on the implications of the recently released final regulations implementing the employer mandate and employer information reporting requirement provisions of the Affordable Care Act. This hearing will allow the Subcommittee to hear directly from the U.S. Department of the Treasury (Treasury) about how the Administration reached decisions to further delay the employer mandate, as well as explain the complicated reporting requirements. The Subcommittee will hear testimony from J. Mark Iwry, Senior Advisor to the Secretary and Deputy Assistant Secretary for Retirement and Health Policy. **The hearing will take place on Tuesday, April 8, 2014, in B-318 Rayburn House Office Building, beginning at 2:00 P.M.**

In view of the limited time available to hear from the witness, oral testimony at this hearing will be from the invited witness only. However, any individual or organization not scheduled for an appearance may submit a written statement for consideration by the Committee and for inclusion in the printed record of the hearing.

#### **BACKGROUND:**

In July 2013, the Obama Administration announced a delay of the Affordable Care Act's (ACA) employer reporting requirements and the enforcement of the employer mandate for 2014. The Treasury Department cited concerns about the complexity of the requirements and the need for more time to implement the provisions of the law set to impact employers in 2014.

On February 12, 2014, the U.S. Department of the Treasury (Treasury) and the Internal Revenue Service (IRS) published the final regulations implementing Section 4980H of the Internal Revenue Code (Code) as added by the ACA. On March 10, 2014, Treasury

published final regulations implementing Code section 6055 and 6056, as added by the ACA.

Code Section 4980H imposes a requirement that employers with more than 50 full-time equivalent employees (FTEs) offer health coverage to their workers or pay one of two tax penalties. The statute specifies that the mandate “shall apply to months beginning after December 31, 2013.”

Code Section 6055 requires employers and insurers “who provide minimum essential coverage to an individual during a calendar year shall, at such time as the Secretary may prescribe, make a return in such form as the Secretary may prescribe” that contains “the name, address and taxpayer identification number (TIN) of the primary insured and the name and TIN of each other individual obtaining coverage under the policy.”

Code Section 6056 requires applicable large employers to provide, “at such time as the Secretary may prescribe” information related to the offer of coverage provided and the name and TIN for each employee offered minimum essential coverage.

These three major regulations implement the bulk of the new mandates on employers required by the ACA. The statutory provisions themselves, as well as the regulatory process of implementing the requirements, have created significant controversy and concern. These final regulations contain further targeted delays and have been criticized by employers and employer groups for adding complexity and not addressing specific concerns raised by employers throughout the regulatory process that has extended over four years.

In announcing the hearing, Chairman Brady stated, **“It is very clear now that the President’s health care law, as it was written and even with the President’s extensive modifications, is not working. The Administration continues to delay mandates for big business, but ignores the concerns of the hardworking Americans struggling to comply with the law’s mandates and taxes. The delay for business has, however, only served to create additional complexity and concerns for business. The information reporting requirements are stunning in their breath and complexity. Employers do not understand these rules, and have serious concerns with how the Treasury Department will collect and use the data necessary to implement these onerous provisions.”**

#### **FOCUS OF THE HEARING:**

The hearing will focus on the Obama Administration’s delays and changes made to the statutory guidelines and deadlines concerning the employer mandate and reporting requirements.

#### **DETAILS FOR SUBMISSION OF WRITTEN COMMENTS:**

Please Note: Any person(s) and/or organization(s) wishing to submit for the hearing record must follow the appropriate link on the hearing page of the Committee website and complete the informational forms. From the Committee homepage, <http://waysandmeans.house.gov>, select "Hearings." Select the hearing for which you would like to submit, and click on the link entitled, "Click here to provide a submission for the record." Once you have followed the online instructions, submit all requested information. ATTACH your submission as a Word document, in compliance with the formatting requirements listed below, **by the close of business on Friday, April 18, 2014**. Finally, please note that due to the change in House mail policy, the U.S. Capitol Police will refuse sealed-package deliveries to all House Office Buildings. For questions, or if you encounter technical problems, please call (202) 225-1721 or (202) 225-3625.

### **FORMATTING REQUIREMENTS:**

The Committee relies on electronic submissions for printing the official hearing record. As always, submissions will be included in the record according to the discretion of the Committee. The Committee will not alter the content of your submission, but we reserve the right to format it according to our guidelines. Any submission provided to the Committee by a witness, any supplementary materials submitted for the printed record, and any written comments in response to a request for written comments must conform to the guidelines listed below. Any submission or supplementary item not in compliance with these guidelines will not be printed, but will be maintained in the Committee files for review and use by the Committee.

1. All submissions and supplementary materials must be provided in Word format and **MUST NOT** exceed a total of 10 pages, including attachments. Witnesses and submitters are advised that the Committee relies on electronic submissions for printing the official hearing record.
2. Copies of whole documents submitted as exhibit material will not be accepted for printing. Instead, exhibit material should be referenced and quoted or paraphrased. All exhibit material not meeting these specifications will be maintained in the Committee files for review and use by the Committee.
3. All submissions must include a list of all clients, persons and/or organizations on whose behalf the witness appears. A supplemental sheet must accompany each submission listing the name, company, address, telephone, and fax numbers of each witness.

The Committee seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202-225-1721 or 202-226-3411 TTD/TTY in advance of the event (four business days notice is requested). Questions with regard to special accommodation needs in general (including availability of Committee materials in alternative formats) may be directed to the Committee as noted above.

Note: All Committee advisories and news releases are available on the World Wide Web at <http://www.waysandmeans.house.gov/>.