

## DOL Issues Guidance to Employers Regarding PPACA Required Notices to Employees

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The U.S. Department of Labor (the "DOL") recently released Technical Release 2013-2, which contains temporary guidance regarding notices required by the Patient Protection and Affordable Care Act ("PPACA") that employers must provide to their employees concerning coverage options available in the new health insurance marketplaces, or "exchanges." Generally, PPACA requires that any employer subject to the Fair Labor Standards Act ("FLSA") must provide its employees with written notice of the existence of an exchange, contact information for the exchange, and the services provided by an exchange; that the employee may be eligible for a premium tax credit if the employee purchases coverage through an exchange; and that the employee may lose any employer contribution to a health benefit plan, if offered by that employer, which contribution may have been excludible from the employee's taxable income. Effective October 1, 2013, employers must provide such notices to all current employees and to all newly hired employees within 14 days of their respective start dates. The DOL cautioned that employers must provide this notice to all employees (but not to their dependents or other nonemployees who may become eligible for coverage), whether full-time or part-time, regardless of their plan enrollment status. To assist employers in meeting this obligation, the DOL published two model notices: one for an employer that offers a health plan to at least some of its employees and another for an employer that does not offer a health plan. Employers may use these model notices and rely on the temporary guidance provided in the Technical Release before the October 1, 2013 effective date. The DOL also published a new model COBRA election notice that advises plan participants who are eligible for COBRA continuation coverage that they may also have coverage options available to them through an exchange. The DOL will consider an employer who uses the model COBRA notice to be in good faith compliance with COBRA's election notice requirements. A copy of Technical Release 2013-2 can be found [here](#); the model notice for employers who offer a health plan to some or all employees can be found [here](#); the model notice for employers who do not offer a health plan can be found [here](#); and the COBRA model election notice can be found [here](#).