Transitional Relief from Employer Mandate for Mid-Size Employers Subject to Conditions

February 26, 2014

Final regulations issued by the U.S. Department of the Treasury regarding the employer shared responsibility provisions of the Affordable Care Act (the ?ÃÂ£***Act***?ÃÂ¥), also known as the ?ÃÂ£play-or-pay?ÃÂ¥ rules, delay the imposition of penalties until 2016 for employers that have between 50 and 99 full-time employees, provided that they meet certain eligibility conditions.?Ã¡ To qualify for the transitional relief, mid-size employers must certify to the following: (1) that they employed on average between 50 and 99 full-time employees on business days during 2014, (2) that they did not reduce the size of their workforce or the overall hours of their employees during 2014 in order to meet the size requirement for this relief, and (3) that they did not eliminate or materially reduce health coverage during 2014 that was already offered to employees as of February 9, 2014.?Ã¡ The regulations contemplate that these certifications will be made on the transmittal form required under the Act?ÃÃs employer information reporting rules.?Ã¡ *See* Section XV.D.6 of the Preamble to the final regulations, which are available **here**.