



## Health Care Reform Update



### **IMPORTANT NOTICE REGARDING HEALTHCARE REFORM** **Update #80** **January, 2018**

#### **Three Health Care Reform Taxes Delayed**

President Trump signed into law a short-term spending bill to reopen and fund the federal government through Feb. 8, 2018, after it was passed by the House and the Senate. Attached to the bill are delays for three taxes under the Affordable Care Act. The spending bill also extended the Children's Health Insurance Program (CHIP) for an additional six years.

##### **Cadillac Tax**

The Cadillac Tax imposes a 40% excise tax on coverage in excess of certain annual dollar thresholds has been delayed an additional two years to January 1, 2022. The Cadillac tax was originally scheduled to take effect in 2018 and then was delayed until 2020.

##### **Health Insurance Industry Fee (a.k.a. Health Insurer Tax)**

The short-term spending bill also suspends the Health Insurance Industry Fee that is applied insured plans for the 2019 calendar year. This fee began in 2014 and was previously suspended for the 2017 calendar year. It was went back into effect on January. 1, 2018 and will apply for the remainder of 2018.

##### **Medical Device Tax**

Previously suspended for 2016 and 2017, the 2.3% excise tax on medical device revenues also restarted on January 1, 2018. The short-term spending bill will continue the suspension through the end of 2019.

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