

US delays health care law mandate until 2015

July 3 2013, by Michael Mathes

President Barack Obama's administration announced Tuesday it will not enforce part of the federal health care law until 2015, delaying penalties on employers who do not provide health insurance for workers.

The one-year delay raised concerns about the government's ability to implement Obama's signature domestic achievement on time, with Republican critics swiftly seizing on the move as a sign the law needs to be repealed altogether.

Employers with more than 50 workers were required to provide coverage to their staff from January 1, 2014 or face stiff fines, but the government was now pushing that back to 2015 to give them time to adjust.

"We have heard concerns about the complexity of the requirements and the need for more time to implement them effectively," said the Treasury Department, which oversees implementation of the Affordable Care Act (ACA).

"We recognize that the vast majority of businesses that will need to do this reporting already provide [health insurance](#) to their workers, and we want to make sure it is easy for others to do so," Mark Mazur, Treasury's assistant secretary for tax policy, said in a blog post.

The landmark but controversial 2010 law aims to provide [health care](#) for everyone, and includes protections like a ban on denying coverage to children with pre-existing conditions.

But three years after Obama signed it into law, the ACA has suffered criticism from Republicans who view it as overburdensome and unconstitutional.

Some lawmakers warned that the policy would prompt companies to downsize their [workforce](#) or slash employee hours as a way to circumvent the new mandate.

House Speaker John Boehner, the top Republican in Congress who has long demanded the law's full repeal, smelled political blood.

"Even the Obama administration knows the 'train wreck' will only get worse," he said in a statement.

The delay "is a clear acknowledgement that the law is unworkable, and it underscores the need to repeal the law and replace it with effective, patient-centered reforms," he added.

Mazur said the move would allow Treasury to come up with "ways to simplify the new reporting requirements," adding that the department will publish formal guidance "within the next week."

The Senate's top Republican Mitch McConnell said that while "the White House seems to slowly be admitting what Americans already know," the employer mandate is only the beginning.

"The fact remains that Obamacare needs to be repealed," McConnell said.

The National Retail Federation, the country's largest retail trade association, welcomed the postponement.

"This one-year delay will provide employers and businesses more time to

update their health care coverage without threat of arbitrary punishment," NRF Vice President Neil Trautwein said in a statement.

Some Democrats defended the delay as an embrace of "flexibility" over the complicated law's timing.

"It is better to do this right than fast," said Adam Jentleson, a spokesman for top Senate Democrat Harry Reid.

But some Republicans seized on the Treasury announcement as proof the administration was not comfortable with the law's rollout.

"Even the White House is beginning to realize that Obamacare is not ready for prime time," said congressman Kevin McCarthy, a member of the Republican leadership.

"The White House can either continue to delay implementation of this very flawed law, or they can join House Republican efforts to fully repeal it."

The Republican-led House has voted some 37 times to repeal part or all of Obamacare, but the bills have never been taken up in the Democrat-held Senate.

Last year's Republican nominee Mitt Romney routinely sought to bludgeon Obama on the campaign trail by calling for the repeal of the health [law](#).

Delaying part of the ACA would push its implementation past the mid-term congressional elections of 2014, yet it would also bring it closer to the 2016 presidential race.

Citation: US delays health care law mandate until 2015 (2013, July 3) retrieved 9 April 2024 from <https://medicalxpress.com/news/2013-07-health-law-mandate.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.