

## ACA Replacement Bill Withdrawn, Now What?

In late March 2017, Republican leadership in the U.S. House of Representatives withdrew the [American Health Care Act](#) (AHCA)—their proposed legislation to repeal and replace the Affordable Care Act (ACA).

Because the House was unable to pass the AHCA, the ACA remains current law, and employers must continue to comply with all applicable ACA provisions.

While the future of the ACA as a whole is currently unclear, some definitive changes have been made to some ACA taxes and fees for 2017. Employers should be aware of the evolving applicability of existing ACA taxes and fees so that they know how the ACA affects their bottom lines.



### Changes to ACA Taxes

A [federal budget bill enacted for 2016](#) made the following significant changes to three ACA tax provisions:

- Delayed implementation of the ACA's Cadillac tax for two years, until 2020
- Imposed a one-year moratorium on the ACA's health insurance providers fee for 2017
- Imposed a two-year moratorium on the ACA's medical device excise tax for 2016 and 2017

### Changes to ACA Fees

In addition, the ACA's reinsurance fees expired after 2016, although the 2016 fees will be paid in 2017. Reinsurance fees may be paid in either one lump sum or in two installments. Reinsurance fees paid in one lump sum were due in full on Jan. 15, 2017. Reinsurance fees paid in two installments are due as follows:

- Jan. 15, 2017: Remit the first contribution amount of \$21.60 per covered life.
- Nov. 15, 2017: Remit the second contribution amount of \$5.40 per covered life.

## DID YOU KNOW?

Earlier this year, the Department of Health and Human Services (HHS) sent a [letter](#) to state governors to highlight Section 1332 of the Affordable Care Act (ACA). Beginning in 2017, Section 1332 allows states to apply for a **State Innovation Waiver** from certain ACA requirements.

These waivers are intended to allow states the flexibility to pursue innovative strategies for providing their residents with access to high quality, affordable health insurance, while retaining the basic protections of the ACA.

## Cost-saving Strategy: Generic Drugs

Generic drugs can sometimes be misunderstood as subpar or not up to the same quality standards as name-brand prescription drugs. This is unfortunate because generic drugs are not only of the same high quality as name-brand prescriptions, but they usually cost much less (80-85 percent less).

According to the Food and Drug Administration (FDA), generic medications save \$3 billion every week and more than \$150 billion annually.

Boosting the use of generic medications by educating employees about generic drugs can potentially save you and your employees significant money.

To maximize generic use, keep employees up to date on the newest approved generic medications through [this FDA resource](#) or by utilizing the FDA's [Orange Book](#), which allows you to search for generic drugs based on a variety of characteristics.

# HR Brief

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## EEOC to Maintain its Bipartisan Enforcement Plan

The Equal Employment Opportunity Commission (EEOC) plans to maintain its bipartisan strategic enforcement plan, despite recent White House changes.

According to EEOC Commissioner Chai Feldblum, who recently spoke at the Society for Human Resource Management's legal conference, the EEOC plans to focus specifically on six priorities in the coming years. It also plans to focus its resources on topics and provide employers with further guidance on what the agency is looking into.

### Equal Pay Protections

The EEOC plans to hone in on its commitment to end pay discrimination. To do this, the agency is going to collect pay data from employers with 100 or

more employees, with a deadline of March 31, 2018. The summary pay data will be added to the annual Employer Information Report (EEO-1).

### Further Law Developments

The EEOC plans to focus on developing areas of the law, including the following:

- Pregnancy accommodations
- LGBT discrimination
- Americans with Disabilities Act (ADA) issues
- Employment relationships
- Backlash discrimination

### Employer Awareness

The EEOC plans to help employers become more aware of issues like removing recruitment and hiring barriers and preventing systematic harassment in the workplace. Moreover, Feldblum says the EEOC can be expected to take a comprehensive approach to combat workplace harassment, which includes the use of the following four checklists, designed specifically for HR departments:

- Leadership and accountability
- Anti-harassment policies
- Harassment reporting procedures
- Compliance training

For more information on the EEOC's plans or current laws, visit its [website](#).

## DID YOU KNOW?

According to the latest Job Openings and Labor Turnover Survey report released by the Bureau of Labor Statistics, the number of Americans quitting their jobs rose to 3.22 million, the highest number reported since February 2001.

Though this is an alarming trend for employers, experts state that the increased quits rate demonstrates a confidence in the U.S. economy, as people are unlikely to quit a job unless they are confident in their ability to get a new one, and that the discouraging labor market trend of the last decade may be starting to turn around.

## Trump's Secretary of Labor Nominee Questioned on Overtime Rule

During his confirmation hearing before the Senate Health, Education, Labor and Pensions Committee, President Donald Trump's labor secretary nominee, Alexander Acosta, expressed support for increasing the overtime salary threshold above the current 2004 level.

Acosta, who has experience serving on the National Labor Relations Board, as head of the Justice Department's Civil Rights Division and as assistant attorney general, said that although it is unfortunate that the threshold has remained the same for over a decade, adopting the originally proposed increase "does create a stress on the system."

His statements reignite the conversation regarding the delayed overtime rule, which is still blocked in court.

