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## Course Information

**Course Title:** *Affordable Care Act - Employer Mandate #292119*

**Number of continuing education credit hours recommended for this course:**

In accordance with the standards of the National Registry of CPE Sponsors and the IRS, CPE credits have been granted based on a 50-minute hour.

**EA, OTRP** 3 (All States) IRS: Qualified Sponsor number: *FWKKO*.

**CPA:** 3.5 (All states)

National Registry of CPE Sponsors ID Number: 107615.

Sponsor numbers for states requiring sponsor registration

Florida Division of Certified Public Accountancy: 4761 (Ethics #11467)

Hawaii Board of Public Accountancy: 14003

New York State Board of Accountancy: 002146

Ohio State Board of Accountancy: M0021

Pennsylvania Board of Accountancy: PX178025

Texas State Board of Accountancy: 009349

**CLU, ChFC: 3** (Professional Recertification)

### Course Description

The Patient Protection and Affordable Care Act (PPACA) has brought about the most significant change in healthcare since the passage of the 1965 legislation that authorized Medicare. It imposes healthcare-related requirements on health plans, health insurers, employers and individuals.

Eligible small employers may receive tax credits for providing health insurance coverage to their employees, and large employers may find themselves subject to tax penalties for failing to provide such employee coverage. This course will review the principal coverage provisions of the law and will examine its tax impact on employers.

**Program Delivery Method:** Self-Study (NASBA QAS Self-Study/Interactive)

### Subject Codes/Field of Study

NASBA (CPA): Taxes.

IRS (EA, OTRP): Federal Tax Law.

## Course Level, Prerequisites, and Advance Preparation Requirements Program Level

CFP Board: Intermediate; NASBA/CPA, IRS: Overview.

This program is appropriate for professionals at all organizational levels.

Prerequisites: Basic familiarity with federal taxation.

Advance Preparation: None

### Course Content

Publication/Revision date: 2/7/2019.

Author: Paul J. Winn CLU ChFC

Final exam (online): Twenty-five questions (multiple-choice).

### Instructions for taking this course

You must complete this course within one year of the date of purchase (if you do not complete the course within one year, contact us to determine whether an updated edition of the course is available, in which case we will provide you with a PDF of the updated course and the online exam at no charge).

A passing grade of at least 70% is required on the final exam for this course. You may retake the exam if you do not pass it on the first attempt (no charge).

Complete the course by following the learning objectives listed on page one, studying the chapter-text, then studying the review quiz at the end of the chapter (answers to chapter review quizzes are at the end of the text). Once you have completed each chapter and you are confident that the learning objectives have been met, answer the final exam questions (online).

### Instructions for Taking the Final Exam Online

- Login to your account online at [www.bhfe.com](http://www.bhfe.com).
  - The exam may be started, stopped, then resumed at a later date.
  - The exam is "open book," it is not timed, and it may be retaken if not passed on the first attempt (no charge).
  - Results (correct, incorrect answers) and certificate appear immediately upon passing the exam.
  - EA credits are reported weekly.

**Have a question?** Call us at 800-588-7039 or email us at [contact@bhfe.com](mailto:contact@bhfe.com).

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# Important Note Concerning the ACA

The Tax Cuts and Jobs Act of 2017 (TCJA) changed the individual mandate beginning in 2019 by reducing the tax penalty to zero for failure to maintain individual health insurance coverage. In focusing only on the tax penalty for failing to maintain coverage, individuals are still required to maintain individual health insurance coverage; however, there is no monetary penalty for their failure to do so.

Although the balance of the Affordable Care Act (ACA) provisions—provisions such as those prohibiting exclusions for pre-existing conditions and increased premiums based on other than age or tobacco use as well as the provisions applicable to large employer responsibilities—were not **directly** changed by the TCJA's elimination of the individual tax penalty, there is little doubt that it will not have an indirect effect on the ACA that far exceeds the reduction of the tax penalty for failing to maintain individual health insurance coverage.

On December 14, 2018, a federal district court judge in [\*Texas v. United States of America\*](#) declared the ACA in its entirety to be invalid, principally because of the legislative elimination of the tax penalty for failing to maintain coverage, a provision considered in the opinion to be the ACA linchpin. It is anticipated that the district court ruling will be appealed, and the federal government has announced that it will continue to enforce the remaining provisions of the ACA pending the judicial resolution of any appeals.

# Introduction

The Patient Protection and Affordable Care Act (PPACA) has brought about the most significant change in healthcare since the passage of the 1965 legislation that authorized Medicare. It imposes healthcare-related requirements on health plans, health insurers, employers and individuals.

Eligible small employers may receive tax credits for providing health insurance coverage to their employees, and large employers may find themselves subject to tax penalties for failing to provide such employee coverage. This course will review the principal coverage provisions of the law and will examine its tax impact on employers.

## Learning Objectives

Upon completion of this course, you should be able to:

- List the principal coverage provisions of the PPACA;
- Recognize the shared responsibility requirements for applicable employers with respect to employee health coverage;
- Compute the potential tax penalties that may be imposed under the PPACA for an employer's failure to meet the applicable shared responsibility requirements; and
- Calculate the tax credits for which a small employer may be eligible for providing employee health insurance coverage.