

White House delays employer mandate requirement until 2015

By Sarah Kliff, Updated: July 2, 2013 at 5:51 pm

The Obama administration will not penalize businesses that do not provide health insurance in 2014, the Treasury Department announced Tuesday.

Instead, it will delay enforcement of a major Affordable Care Act requirement that all employers with more than 50 employees provide coverage to their workers until 2015.

The administration said it would postpone the provision after hearing significant concerns from employers about the challenges of implementing it.

"We have heard concerns about the complexity of the requirements and the need for more time to implement them effectively," Mark Mazur, Assistant Secretary for Tax Policy, wrote in a late Tuesday [blog post](#). "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."

The Affordable Care Act requires all employers with more than 50 full-time workers provide health insurance or pay steep fines. That policy had raised concerns about companies downsizing their workforce or cutting workers' hours in order to dodge the new mandate.

In delaying the enforcement of that rule, the White House sidesteps those challenges for one year. It is also the second significant interruption for the Affordable Care Act, following a one-year delay on key functions of the small business insurance marketplaces.

Together, the moves could draw criticism that the administration will not be able to put into effect its signature legislative accomplishment on schedule.

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