

CLIENT NEWS ALERT

Affordable Care Act's Automatic Enrollment Rule Repealed

On November 2, 2015, President Obama signed the Bipartisan Budget Act of 2015 (H.R. 1314) into law, which includes a provision to repeal an "automatic enrollment rule" contained in the federal Patient Protection and Affordable Care Act's (PPACA). The automatic enrollment rule, originally added into the Fair Labor Standards Act, required applicable employers with more than 200 full-time employees to automatically enroll new full-time employees and continue enrollment of current employees in one of the employer-offered health care plans, if any are offered. Employers were not required to comply with this rule until regulations were issued by the Department of Labor. The Department of Labor never developed such regulations. Section 604 of the Act entirely repeals the automatic enrollment rule, freeing employers from one of the many potentially burdensome requirements established by the PPACA.

There are still a number of PPACA provisions that have yet to become effective, including the nondiscrimination rules and the excise tax on high-cost benefit plans (the "Cadillac Tax"). We will continue to monitor developments and report on any significant updates as they arise.

If you have any questions regarding implementation of the PPACA and its impacts on employers, please contact one of our [nine offices](#) located statewide. You can also visit our [website](#), follow us on [Facebook](#) or [Twitter](#), or download our [Client News Brief App](#).

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