

Section-By-Section

Section 1: Short Title. “Save American Workers Act of 2018”.

Section 2: Repeal of 30-Hour Threshold for Classification as Full-Time Employee for Purposes of the Employer Mandate in the Patient Protection and Affordable Care Act and Replacement with 40 Hours. For purposes of the employer mandate, the 30-hours-per-week definition of full-time employee and the 120-hours-per-month definition of full-time equivalents is replaced with respective thresholds of 40-hours-per-week for full-time employees and 174-hours-per-month for full-time equivalents. This provision is effective beginning in 2014.

Section 3: Moratorium on Employer Mandate. This provision grants retroactive relief from the employer mandate. Thus, any employer that owed a penalty for failing to provide coverage during that period would no longer owe it. This provision is effective from January 1, 2015 to December 31, 2018.

Section 4: Delay in Implementation of Excise Tax on High Cost Employer-Sponsored Health Coverage. This provision delays the implementation of the ACA’s tax on high-cost health plans, known as the “Cadillac tax,” until 2023, granting employers one additional year of relief from the tax.

Section 5: Repeal of Excise Tax on Indoor Tanning Services. This provision repeals the 10 percent excise tax levied by the ACA on indoor tanning services effective in calendar quarters beginning more than 30 days after the date of enactment.

Section 6: Health Insurance Coverage Statements to Individuals Required Only Upon Request. This section amends the ACA’s requirement for health insurers and certain self-insured employers to send statements to individuals regarding the health coverage provided for purposes of complying with the individual mandate. These statements will be available upon request by the individual. This provision is effective for returns beginning in 2019.

Short Summary

H.R. 3798 would give employers and workers more flexibility by changing the Affordable Care Act’s definition of full-time worker from 30-hours-per-week to 40-hours-per-week and from 120-hours-per-month to 174-hours-per-month for full-time equivalents. In addition, the bill gives employers retroactive relief from the employer mandate penalty. The bill delays the ACA’s

excise tax on high cost health plans until 2023 and fully repeals the 10 percent excise tax on indoor tanning services. Finally, in light of the repeal of the individual mandate penalty, H.R. 3798 removes an unnecessary requirement that certain providers of minimum essential coverage (health insurers and certain employers) send statements to individuals regarding their health coverage and instead requires that these statements be made available to individuals upon request.

Summary of Changes

H.R. 3798—“Save American Workers Act of 2018” combines H.R. 3798, H.R. 1150, H.R. 6718, and H.R. 4616 with the following modifications:

H.R. 3798, the short title has been modified.

H.R. 1150, the effective date has been modified.

H.R. 4616, as reported by the Ways and Means Committee.