



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 16, 2013

H.R. 2667 **Authority for Mandate Delay Act**

As introduced in the House of Representatives on July 11, 2013

H.R. 2667 would delay for one year certain reporting requirements as well as penalties for certain large employers that do not offer “affordable” health insurance coverage to their employees (as affordability is defined in the Affordable Care Act, Public Law 111-148 and the health care provisions of P.L. 111-152).

Under the Affordable Care Act, insurers and certain other health coverage providers are required to report those enrolled in coverage, and certain large employers are required to report on the health insurance coverage offered to their full-time employees. In addition, the law imposes penalties on certain large employers that do not offer health insurance coverage that meets the affordability standard. On July 2, 2013, the Department of the Treasury announced that those reporting requirements for insurers and employers would be delayed until 2015 and that the penalties for employers who do not offer affordable coverage would not apply until 2015. Thus, H.R. 2667 essentially codifies recent announcements by the Administration that these provisions will become effective in 2015 instead of 2014 as originally envisioned.

As a general rule, CBO evaluates legislation being considered in the House or Senate relative to the agency’s baseline projections. New information about the implementation of legislation—such as an agency issuing a final rule or making an official announcement clearly defining an intended Administration action like the Department of the Treasury’s announcement on July 2, 2013—is incorporated in CBO’s next regular baseline update. However, following longstanding procedures, CBO also immediately takes that information into account when analyzing legislation being considered by the Congress.

Because H.R. 2667 essentially codifies the Administration’s recent announcement, CBO and the staff of the Joint Committee on Taxation (JCT) estimate that enacting H.R. 2667 would not affect direct spending or revenues. Therefore, pay-as-you-go procedures do not apply.

CBO and JCT have not yet completed an analysis of the impact that the Administration’s July 2, 2013, announcement and other recently issued final rules will have on spending and revenues under current law. That analysis will be released soon.

H.R. 2667 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Sarah Masi. The estimate was approved by Holly Harvey, Deputy Assistant Director for Budget Analysis.