



## IMPACT ON INDIVIDUALS - KEY PROVISIONS TIMELINE

Provision	Effective Date
<p>Medicare Changes:</p> <p>A 0.9% Medicare tax will be imposed on earnings over \$250,000 for joint returns, \$125,000 for married filing separate, or \$200,000 for other individuals.</p> <p>A 3.8% Medicare tax will be imposed on the lesser of net investment income or AGI over \$250,000 for joint returns, \$125,000 for married filing separate, or \$200,000 for other individuals.</p>	2013
The itemized deduction threshold for unreimbursed medical expenses is increasing to 10% of AGI (however it remains 7.5% for individuals age 65+ through 2016).	2013
Insurers cannot impose lifetime limits on insurance coverage or cancel policies due to serious illness.	9/23/10
Pre-existing condition exclusions for children prohibited.	9/23/10
Group health plans and health insurers that provide dependent care coverage must continue to make such coverage available for an adult child until they turn 26 years old (effective for plan years beginning after Sept. 23, 2010). Reimbursements for medical care under an employer-provided accident or health plan are excluded from gross income for any employee's child who has not yet turned 27 by the end of the tax year (effective March 30, 2010). IRS will apply the same rule to coverage under an employer-provided accident or health plan.	9/23/10
A temporary national high-risk pool will be created to permit adults with pre-existing conditions to obtain subsidized coverage. This pool will be dissolved after 2014, when all insurers will be prohibited from excluding persons with pre-existing conditions.	2010-2014
All individuals must carry insurance or pay penalties – the greater of \$95 or 1% of income over the filing threshold in 2014; \$325 or 2% in 2015; and \$695 or 2.5% in 2016 and beyond. Penalty also due for each dependent who does not have coverage (fee is 1/2 adult amount for those under 18). Certain hardship exceptions do apply.	2014