The Cadillac Tax

The Affordable Care Act’s tax on employer health plans, nicknamed the “Cadillac Tax,” is currently slated to begin in 2020. This tax requires employers to pay a 40% tax on health insurance premiums in excess of $10,200 for individual coverage or $27,500 for a family. Designed to help control health care costs and fund the ACA, it is also causing some employers to scale back benefit plans in anticipation of the tax. For employees, this may mean higher deductibles and co-pays and fewer covered services.

To suggest a topic, please email wellness@rochesterregional.org. To read the full article, click the linked title or contact the Werner Medical Library.

- Woolhandler S & Himmelstein DU. (2016). The "Cadillac Tax" on health benefits in the United States will hit the middle class hardest: Refuting the myth that health benefit tax subsidies are regressive. International Journal of Health Services, 46(2), 325-330.

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