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≡ Employment Law Client Alert ≡

JUNE 2007

JULY 1, 2007: COMPLIANCE WITH THE MASSACHUSETTS HEALTH CARE REFORM ACT

The Massachusetts Health Care Reform Act requires that all businesses with 11 or more employees have a valid Section 125 Cafeteria Plan in place by July 1, 2007. Businesses that do not have this plan in place by July 1 risk significant fines if their uninsured employees individually accrue more than \$50,000 in state-covered health bills. In addition, under regulations now in effect, employers who do not offer health insurance to their full time employees or who offer health insurance but fail to meet the minimum coverage and premium guidelines, may also risk paying a fine of \$295 per employee each year. The new regulations are complicated and there are questions that still need to be answered by the various state agencies involved in monitoring and enforcing the new healthcare law. We are available to meet with you to explain the nuances of the law and to assist you with compliance.

If you have any questions about this alert or any other employment issue, please contact Gary Feldman at (617) 589-3874 or Laurie Alexander-Krom at (617) 589-3867. ♦

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