



# Benefits Compliance Update

***8/29/17 Client Webinar***

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# This Session

- Update on status of ACA
- Quick review of recent compliance developments
- A look ahead to open enrollment & best practices

# ACA Update

Summary of Congress's efforts to repeal ACA  
in 2017:

*Repeal*

*Repeal & replace*

*Repeal & repair*

*Repair*

*Tweak*

*Move on*

# TrumpCare?

**Spam mail received today  
(showed on screen)**

# ACA Update

- ACA remains the law of the land
  - *Other than Cadillac tax (2020), all major provisions in effect*
  - *No new compliance items for 2017-2019*
- Employers should continue to comply with ACA provisions, including employer mandate (Play-or-Pay) & reporting
  - *\*\* Next round of reporting (for 2017 calendar year) due beginning 1/31/18*
  - *Individual coverage mandate still in effect*

# What Next?

- Possible that Congress will address health reform again in next term
- Immediate focus: Tax reform
  - *Health care impact?*
- Will be interesting to observe level of federal agency enforcement of ACA
  - *4 recent IRS information letters confirm continuing responsibility to enforce ACA provisions*

# Best Practices for Employers

- Continue to comply with all relevant ACA provisions until law is formally changed
- Get “back to the basics” on non-ACA items, including taxation of benefits, plan documents, & COBRA compliance
- If not already done, address any HIPAA obligations

# Recent Developments

- IRS has initiated penalty process for employers failing to comply with ACA reporting requirements for 2015 or 2016
  - *Letter 5699 forms*
- Civil litigation & enforcement efforts continuing re: COBRA requirements
- HHS enforcement efforts continuing re: HIPAA
- U.S. Supreme Court voted to extend ERISA's church exemption to benefit plans maintained by church affiliates, regardless of whether plan was established by a church

# Recent Developments

- 2018 IRS maximums & limits announced
  - All HSA amounts known
  - FSA max not announced – expecting \$2,650
  - ACA affordability measure will be 9.56%
  - Play-or-Pay penalties indexed
- Transitional reinsurance fee has expired & not applicable for 2017 or 2018
- Health insurers tax returns for 2018 after 2017 moratorium (*typically 3-4% rate impact*)
- Medical device tax returns in 2018\*
- PCORI fee continues

# Other Key Issues & Hot Topics

- Viability of Health Insurance Marketplace option for individuals
- Taxation of benefits, including certain supplemental insurance products
- Increased scrutiny on various tax avoidance schemes within group market
- Leaves of absence & new paid family leave laws in many states

# Open Enrollment: Employers

- In addition to standard insurance renewal & benefits communication efforts:
  - Confirm updated plan documents
    - SPD for Section 125 plan
    - SPDs or Wrap SPDs for ERISA plans
  - *Health plan(s)*: confirm SBC distribution
    - New template for renewals beginning 4/1/17
  - *Health plan*: OOP maximums
    - 2018 ACA limits: \$7,350 self-only; \$14,700 family
    - HDHP limits for HSA eligibility: \$6,650/\$13,300
    - Requirement of embedded deductible for HDHP plans
  - *Wellness program*: confirm compliance with HIPAA & EEOC rules

# Open Enrollment: Employers

- Check other required notices or disclosures other than SPDs & SBCs
  - *Examples:* Grandfathered plan notice; COBRA initial notice; new wellness program notice; CHIP notice; Medicare Part D notice
- Confirm & document all elections prior to end of open enrollment
  - *Best practice:* signed waivers
  - *The 30-day “myth”*
- Compliance steps for any new benefit plans or programs
  - *Taking advantage of all tax-saving tools?*

# Open Enrollment: Agents

- Prior to insurance renewal & benefits communication efforts:
  - Assess what training or expertise your team may need going into 2018 (*see slide on training options*)
  - Consider any additional benefits or tax-saving options for employer for 2018
  - Have plan to communicate clearly status of ACA & key compliance items for 2018

# 2017 Tools From The Cason Group

- Benefits Compliance Checklist(s) & other practical tools for use with your clients
- Continuing webinars, updates, & blog posts
- Support & training options for your team
- Agency-branded workshop or training sessions on various topics (*live or webinar*)

***Ask your Sales Rep about these or additional options***

# Examples: Advanced Training Topics

- Guided employer quiz on basic, key compliance issues
- 10 common benefits compliance mistakes by employers
- Benefits compliance checklist
- Open enrollment steps & required employee notices
- Handling leaves of absence
- ACA reporting refresher & training
  - *2017 forms due beginning 1/31/18*
- ACA eligibility & employer mandate refresher
- Benefits tax analysis
- How to be prepared for a health/welfare benefit plan audit

# Additional Resources

- **The Cason Group**
  - Compliance & ACA updates on website
  - Ongoing updates & info posted on LinkedIn site
  - Contact your Sales Rep for more details on any topic
  - Compliance checklists & brand-able reference content available for active producers
  - Compliance seminars/workshops available
- **Jason Cogdill**: Partner benefits attorney
  - **ProBenefits**: Plan administration & compliance firm
    - *FSA, POP, HRA, HSA, COBRA, ERISA services*
    - *Integrated COBRA/POP/FSA solution for Beacon Benefits Solution*