



# Benefits Compliance Update

***4/25/18 Webinar for Partner Agents &  
Account Managers***

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# This Session

- Update on recent developments
- Refresher on mid-year items & deadlines
- *Short Q&A session*

# Webinars

- *Continuing monthly for 2018*
- Your input welcome on specific topics – submit via Question box or email
- Next month (5/24): COBRA training for plan advisors
- Slides & YouTube recordings available for all sessions
- *Ask your Sales Rep about seminar & training options for your team or clients*

# Examples: 2018 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
- ACA eligibility & employer mandate refresher
- Benefits tax analysis
- How to be prepared for a benefit plan audit

# **2018 Benefits Compliance Checklist**

**Available upon request**

**Contact your Cason Group representative**

# Recent Developments

## Transitional Plans

- On 4/9/18, CMS extended transitional plan policy for another year
  - *6<sup>th</sup> extension since original 2013 extension*
  - *Transitional relief now applies to small group & individual health plans renewed on or before until 10/1/19 for plan/policy years ending by 12/31/19*
- To confirm, the availability of transitional plans is subject to state authority over carriers and also plan availability from carriers

# What Group Plans Remain in 2018-19?

- Grandfathered plans
  - *Tied to 3/23/10 ACA enactment date*
  - *Exempt from certain ACA rules*
  - *Where applicable, formal notice must be provided to participants*
- Transitional plans (“Grandmother(ed)” plans)
  - *Subject to continuing extensions of federal agency policy*
  - *Exempt from certain ACA rules*
  - *No formal notice to participants required*
- Non-grandfathered, non-transitional plans
  - *Subject to all applicable ACA rules*

# Update: Play-or-Pay Enforcement

- IRS initiated enforcement in November, starting with 2015
  - Letter 226J is being mailed to employers identified by IRS system as owing an employer shared responsibility payment (“ESRP”) for 2015
  - Enforcement for 2016 will follow, presumably in late 2018 or early 2019
  - *Sample letter & info available*

# Update: HSA Family Contribution Limit

- Family contribution limit for HSA bank accounts originally set at \$6,900
- Earlier in 2018, IRS reduced to \$6,850 due to new formula
- \*\* Day after this webinar (4/27), IRS announced transition rule to restore \$6,900 max
- *List of relevant IRS limits on next 2 slides*

# Other Recent Updates

- New claims/appeals rules for disability plans went into effect 4/1/18
- New guidance for mental health parity released by agencies this week
  - *New FAQ & model disclosure form*

# 2018 IRS Plan Limits

## Health FSA

Maximum employee contribution: **\$2,650**

## QSEHRA

Maximum reimbursement – Individual: **\$5,050**; Family: **\$10,250**

## HSAs

Maximum contribution limit – Individual: **\$3,450**; Family: **\$6,900**

Minimum HDHP deductible – Individual: **\$1,350**; Family: **\$2,700**

Out-of-pocket HDHP max – Individual: **\$6,650**; Family: **\$13,300**

## Transportation Plans (parking, transit, vanpooling)

Maximum monthly reimbursement: **\$260**

# 2018 ACA Amounts

## Play-or-Pay

- ALE determination: **50** or more FT + FTE in prior calendar year
- Affordability of employer coverage: **9.56%** of adjusted gross income
- Part A penalty for not offering health coverage to at least 95% of FT employees: **\$2,320 (\$193.33 per month)**
- Part B penalty for not offering minimum value or affordable coverage: **\$3,480 (\$290 per month)**

## Plan Design

- Maximum out-of-pocket – Individual: **\$7,350**; Family: **\$14,700**

# Refresher: Mid-Year Deadlines

## Form 5500 Filings

- 7/31/18 is deadline for filing of Form 5500 for 2017 calendar year ERISA plans ending 12/31/17
  - *Standard deadline*: 7 months after plan year end
    - Ex: 10/1/16 – 9/30/17 plan year due 4/30/18
  - *Refresher*: Requirement applies to any health or welfare plan that is subject to ERISA & had 100 or more enrolled employee participants on the 1<sup>st</sup> day of the plan year
  - Special voluntary compliance program available for late or omitted filings
  - *Note*: *ProBenefits* is Form 5500 preparer

## PCOR Fees for Self-Funded Medical or HRA

- Responsibility of employer unless handled by carrier
- IRS Form 720 – due 7/31 of year following end of plan year
  - *Plans ending in calendar year 2017 due 7/31/18*
  - *Amount: \$2.26 per participant per year for plans ending 1/1/17 – 9/30/17; \$2.39 for plans ending 10/1/17 – 12/31/17*
- PCOR fee expires after 10/1/19. Any plan year ending 10/1/19 or later will not have to pay.

## Tools From The Cason Group

- Benefits Compliance Checklist(s) & other practical tools for use with your clients
  - *2018 documents available for active producers*
- 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***

# 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*