



October 15, 2014

Videos are Up and Running

In an effort to keep you up to date we have prepared four videos on very important and timely topics. The first one is an introduction by Scott McGohan, CEO of McGohan Brabender. The second one talks about health plan identifiers, or HPID. All self-funded health plans are required to get an HPID and, depending on the size of your self-funded health plan, you may be required to get the HPID by November 5, 2014. Carolyn Filson with McGohan Brabender is the presenter.

The third topic is the transitional reinsurance fee. Self-funded health plans have to report census information to the government by November 15, 2014, and have to pay the fee next year. This video is riveting because I am the presenter.

The fourth and final video talks about the new reporting requirements under health care reform that begin January 1, 2015. All employers, regardless of size, sponsoring self-funded health plans must complete new IRS forms and file them with the government and distribute them to the employees. Large employers (i.e. those with 50 or more full-time and full-time equivalent employees) must complete new IRS forms and file them with the government and distribute them to the employees.

This is the link to the videos:

[MB HCR Updates](#)

We strongly encourage you to watch the videos. The topics are very important, and now is the time to start preparing your compliance efforts. You should watch the HPID and Transitional Reinsurance Fee videos if you sponsor a self-funded health plan. You need to watch the fourth video if (1) you sponsor a self-funded health plan and/or (2) you have 50 or more full-time and full-time equivalent employees.

It is important to realize the government continues to issue rules. Therefore, it is imperative that you visit the government's webpages often to ensure you have the latest information.

Adjunct Professors and Employer Mandates

By now everyone knows large employers (i.e. those with 100 full-time + full-time equivalent employees) have to offer quality/affordable coverage to full-time employees next year or pay a penalty. One of thorniest issues with the employer mandate is determining who is a full-time employees (i.e. averaging 30 hours or more per week). This is especially true with respect to adjunct professors. The following articles are devoted to this topic.

<http://bit.ly/1w0uf9s>

<http://bit.ly/1yzl3ez>

The final regulations address a number of tricky situations and, as time goes on, the rules will continue to evolve. However, the question of adjunct professors was one of the first areas where the government really got into weeds and spelled out detailed rules.

Year End Stuff

As this year comes to a close, there are a number of items to think about. This article highlights those items.

<http://bit.ly/1r3eIAj>

This provides a good checklist to make sure nothing falls between the cracks. It is easy to overlook something as you go through the open enrollment season.

Potential Criminal Penalties

ERISA imposes various reporting and disclosure obligations on the plan administrator and some, but not all, have automatic penalties for noncompliance. However, it is possible in some circumstances that noncompliance can result in criminal penalties.

<http://bit.ly/1z7Rflk>

As a general proposition, there has to be a "willful" violation of the rules before the criminal statutes come in play. Simply forgetting to comply with one of the rules will not get you jail time. This article does a nice job of explaining the rules.

EEOC Files Lawsuit Over Wellness Program

An employer adopted a wellness program that required employees to participate in the wellness program as a condition of eligibility. That is, an employee could not participate in the group health plan unless the employee participated in the wellness program.

<http://bit.ly/1sNcJ91>

The EEOC filed a lawsuit against the employer saying the program violated the ADA. Note that the rules specifically say that just because a wellness program complies with HIPAA does not mean the program complies with all other statutes.

ACA's Impact on Employment Strategies

The following is a survey on how health care reform has impacted employment strategies and how HR is complying with the rules.

<http://bit.ly/1z7RmmZ>

This survey provides insight on how various companies are handling the increases associated with health care reform.

Additional Rules on Measurement Periods

Most employers will adopt a 12-month measurement period but some employers may adopt different measurement periods for different categories of employees. The IRS issued rules on what happens if an employee changes positions with different measurement periods or the employer wants to change the measurement period.

<http://bit.ly/1sCZEhZ>

The rules are extremely complicated to begin with so it is anticipated most employers will apply a uniform measurement period for all employees and, once the measurement period is established, not change it. However, for those employers with different measurement periods or who want to change the measurement period, the IRS has issued detailed rules on what happens.