

## **THEY ARE BACK— AND AGAIN, WITH A LITTLE MORE TIME**

The ACA reporting requirements, IRS Form 1094s and IRS Form 1095s, are back, but like the previous years, the IRS has extended the reporting deadline. The documents inform employees about their health coverage and report that coverage to the government. The individual mandate penalty, although not repealed, has basically been eliminated because the penalty for failing to have health coverage is now \$ -0-. The employer mandate still applies.

### [IRS CONTINUES ACA REPORTING RELIEF, WITH A TWIST](#)

### [IRS RELEASES 2019 DRAFT INSTRUCTIONS 1094C AND 1095C](#)

Therefore, the reporting requirements remain intact. These forms must also be filed with the IRS, along with the applicable transmittal statement by February 28, 2020, if submitted on paper or March 31, 2020, if filed electronically. Reporting entities may, however, request individual extensions to file these forms with the IRS. The deadline for distributing the required documents to the employees changed from January 31, 2020, to March 2, 2020. Failure to meet those deadlines can result in a penalty of \$540 i.e., \$270 for not submitting the forms to the IRS and \$270 for not distributing the form to the employee for each failure.

## **DISCRIMINATION RULES**

Some people think ERISA imposes discrimination rules on various benefit plans. However, that is not the case. The discrimination rules come under the Internal Revenue Code. The theory is that in exchange for favorable tax treatment, the plan has to satisfy certain discrimination rules.

### [RESOURCE GUIDE FOR HEALTH AND WELFARE NON-DISCRIMINATION TESTING](#)

The rules vary, depending upon the type of benefit. For example, self-funded health plans are subject to a different set of rules than group term life insurance. Currently, fully insured health plans are not subject to discrimination rules under the Internal Revenue Code. Traditionally, the discrimination rules applicable to welfare benefits plans have not been a high enforcement area for the Internal Revenue Service. That may change at some point.

## **MEDICAL NECESSITY NEEDS TO BE WELL DEFINED**

The Affordable Care Act requires group health plans to cover a wide range of services and costs. However, health care coverage can still limit benefits to items that are medically necessary.

### [MEDICAL NECESSITY ISN'T WELL-DEFINED UNLESS IT IS WELL-DEFINED](#)

Therefore, it is important for the plan document and summary plan description to clearly define the term and that the plan administrator's determination be affordable the maximum deferral permitted by law.

## **HSA ENGAGEMENT**

By now everyone is familiar with high deductible health plans (HDHP) and health savings accounts (HSA). However, like they say, you can lead a horse to water but you cannot make it drink.

### [IMPROVING HSA ENGAGEMENT](#)

One of the benefits to HSAs is providing the employees the opportunity to save money on a tax-favored base for future medical expenses. This article points out ways to encourage employees to take advantage of this opportunity.

## **HSA PLANNING**

The previous article reflects the many reasons that employees should take advantage of HSAs. The following article lists specific planning opportunities when both spouses are able to make HSA contributions.

### [HSA PLANNING WHEN BOTH SPOUSES HAVE A HDHP](#)

It is common for both spouses to work, and HSAs continue to be popular, so it is not an unusual situation to find both spouses are HSA eligible.

## **ERISA STATUTE OF LIMITATION**

The law imposes a statute of limitations on lawsuits to bring the issue to closure. A statute of limitations requires a person to file suit within a specified period. Once the statute of limitations has passed, the person is precluded from filing suit.

### [ERISA'S STATUTE OF LIMITATIONS CONUNDRUM](#)

ERISA imposes a six-year statute of limitations for filing suit based on a fiduciary breach. However, the question becomes, "when does the six-year clock start?" This article examines that issue.

## **PRICE TRANSPARENCY ROADBLOCK**

The Trump administration has issued final rules effective January 1, 2021, that will require carriers, providers, and hospitals to disclose pricing information. The regulations provide the public with information so that they can make informed decisions when it comes to buying health care services.

### [TRUMP ADMIN PROPOSES TRANSPARENCY RULE FOR HEALTH INSURERS](#)

### [HOSPITALS SUE CMS CITING PRICE TRANSPARENCY](#)

In an anticipated move, a group of hospitals filed suit stating the rules require them to disclose confidential information. The plaintiffs are declaring the Final Rule (1) is unlawful and in excess of his statutory authority; (2) is a violation of the First Amendment by unlawfully compelling speech; and (3) is arbitrary and capricious, an abuse of discretion, and contrary to law, citing the Administrative Procedures Act (APA). It remains to be seen if the rules will ever go into effect.

## **HOW TO HANDLE DENIED CLAIMS**

Just because a claim was initially denied does not mean the decision is final. ERISA has an elaborate claims procedure which entitles the person to appeal the refused decision.

### [IMPORTANCE OF ADMINISTRATIVE PROCEDURES RESPONDING TO ERISA BENEFIT CLAIMS](#)

It is critical for each plan to establish detailed claim procedures and the administrator follow those procedures.

## **INDEMNITY POLICIES BECOMING POPULAR**

As the cost of traditional health coverage continues to rise, some employers are looking at indemnity policies as an alternative or a means to supplement the “main” health plan.

### [WHEN IS INDEMNITY HEALTH INSURANCE ACCEPTABLE VS FULLY INSURED PLAN](#)

This article explains how indemnity plans work along with the pros and cons of the plans. This option may be an attractive option under the right set of facts.

## **PCORI FEE**

The PCORI fee was part of the Affordable Care Act and the money was used to help patients, and those who care for them, make better-informed decisions about healthcare choices. It was not a lot of money.

### [2020 PCORI STORY - THE FINAL CHAPTER](#)

The attached link provides the answers to help employers understand their upcoming payment obligations in 2020.

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