

## Health Care Reform To-Do List Small Self-Insured Plans

**Client Name:**

**No. of Employees:**

*Note: This list is for use by employers with **fewer than 50 employees**.*

**Plan Year:**

BENEFITS REQUIREMENTS			
Completed	To Be Completed	Employer Action Items	Deadlines/Tips
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>Employer Payment Plans Prohibited.</b> Ensure that an <b>employer payment plan is not in place</b> (an arrangement under which an employer reimburses an employee for some or all of the premium expenses incurred for an individual health insurance policy, or uses its funds to directly pay the premium for an individual policy).</p>	<p>Effective as of 2014. <a href="#">Transition relief</a> is available for small employers through June 30, 2015.</p> <p>Employers can generally increase an employee's compensation without violating the law, <b>so long as</b> the payment of additional compensation is not conditioned on the purchase of health coverage and the employer does not otherwise endorse a particular policy, form, or issuer.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>90-Day Waiting Period Limit.</b> Ensure that any <a href="#">waiting period</a>—the time that must pass before coverage can become effective for an employee or dependent that is otherwise eligible to enroll in the plan—<b>does not exceed 90 days</b>. (Other conditions for eligibility that are not based solely on the lapse of a time period are generally permissible.)</p>	<p>Effective as of 2014. If the plan requires completion of a reasonable and bona fide employment-based orientation period as a condition for eligibility, ensure the orientation period <b>does not exceed one month</b> and the maximum 90-day waiting period begins on the first day after the orientation period.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>Annual Dollar Limits Prohibited.</b> Confirm that no annual dollar limits apply to coverage of "<a href="#">essential health benefits</a>."</p>	<p>Effective as of 2014. If the plan limits the number of visits to health providers or days of treatment, verify that the visit or day limit does not amount to a dollar limit.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>No Preexisting Condition Exclusions.</b> Verify that preexisting condition exclusions for all individuals—regardless of age—have been eliminated.</p>	<p>Effective as of 2014 (the provision became effective in 2010 for children under 19 years of age).</p> <p>The requirement to issue certificates of creditable coverage, which could be used to reduce the preexisting condition exclusion period applied to an individual, was eliminated as of December 31, 2014.</p>

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### BENEFITS REQUIREMENTS (CONT'D)

Completed	To Be Completed	Employer Action Items	Deadlines/Tips
<b>Non-Grandfathered Plans Only</b>			
<input type="checkbox"/>	<input type="checkbox"/>	<b>Coverage of Preventive Services.</b> Continue to monitor guidelines for <a href="#">preventive services</a> , which are regularly updated to reflect new scientific and medical advances.	As new services are approved, plans will be required to cover them with no cost-sharing for plan years beginning one year later.
<input type="checkbox"/>	<input type="checkbox"/>	<b>Limits on Cost-Sharing.</b> Ensure that annual <a href="#">out-of-pocket costs</a> for coverage of all "essential health benefits" provided in-network do not exceed <b>\$6,600 for self-only coverage</b> or <b>\$13,200 for other than self-only coverage</b> .	Cost-sharing limits have been in effect since 2014—these specific limits apply for plan years beginning in 2015.  Certain small businesses may be allowed to <a href="#">renew existing group coverage</a> that does not comply with this requirement, through policy years beginning on or before October 1, 2016. Not all states and insurers will permit coverage to renew. Businesses that are eligible to continue existing coverage will receive a notice from their insurance companies for each policy year.

### INFORMATION REPORTING REQUIREMENTS

Completed	To Be Completed	Employer Action Items	Deadlines/Tips
<input type="checkbox"/>	<input type="checkbox"/>	<b>Keep Track of Required Information to Report Minimum Essential Coverage.</b> As part of the <a href="#">required reporting information</a> , all self-insuring employers ( <i>regardless of size</i> ) must identify <b>each covered individual</b> and the months for which the individual was enrolled in coverage and entitled to receive benefits.	First transmittal forms and individual statements must be filed with the IRS <b>no later than February 29, 2016</b> , or March 31, 2016 if filed electronically.
<input type="checkbox"/>	<input type="checkbox"/>	<b>Determine Whether a Third Party Will Fulfill Reporting Responsibilities.</b> Self-insuring employers are permitted to use third parties to facilitate filing returns and furnishing individual statements to comply with reporting requirements.	Utilizing a third-party to fulfill reporting responsibilities <b>does not</b> transfer the potential liability for the failure to report and furnish statements.
<input type="checkbox"/>	<input type="checkbox"/>	<b>Ensure Electronic Furnishing Requirements Are Satisfied (If Applicable).</b> If planning to furnish covered individual statements electronically in 2016, ensure that affirmative consent is obtained from individuals prior to furnishing.	First individual statements must be furnished <b>no later than January 31, 2016</b> .

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NOTICES			
Completed	To Be Completed	Employer Action Items	Deadlines/Tips
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>Determine Summary of Benefits and Coverage (SBC) Distribution Requirements.</b> Confirm contractual arrangements with the third party administrator to <b>prepare and provide the SBC</b>. If the TPA did not assume responsibility, the employer should provide this notice (without charge) to employees and beneficiaries.</p>	<p>Must be provided at specified times during the enrollment process and upon a participant or beneficiary's request, generally as follows:</p> <ul style="list-style-type: none"> <li>• <b>Prior to initial enrollment</b> in the plan;</li> <li>• Upon <b>renewal</b> of plan coverage;</li> <li>• <b>Within 90 days</b> of special enrollment; and</li> <li>• <b>Within 7 business days</b> following receipt of a request</li> </ul> <p><a href="#">Proposed rules</a> have been issued to <b>revise</b> the templates and would place <b>additional obligations</b> on plans that contract with other parties to provide the SBC. The rules are generally <a href="#">expected to be finalized and applied</a> in connection with coverage beginning <b>on or after January 1, 2016</b>.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>Update SBCs.</b> If not already done, <b>update SBCs</b> to include language indicating whether the plan provides "<a href="#">minimum essential coverage</a>" (the type of coverage an individual needs to satisfy the ACA's individual mandate), and whether the plan meets the ACA's "<a href="#">minimum value</a>" standard (meaning the plan pays for at least 60% of covered health care expenses).</p>	<p>An <a href="#">SBC template</a> that includes the additional language is available for use. Until further guidance is issued, a plan that is unable to modify its current SBC template may continue to use the <a href="#">previously authorized template</a>, <b>so long as</b> the SBC is furnished with a cover letter or similar disclosure stating whether the plan does or does not provide "minimum essential coverage" and "minimum value."</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>Distribute Notices of Modification (if applicable).</b> Ensure that enrollees are provided with <b>written notice of any material modification</b> that would affect the content of the SBC (and that occurs other than in connection with coverage renewal or reissuance).</p>	<p>No later than <b>60 days prior</b> to the effective date of the change.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>Distribute Notice of Coverage Options.</b> Provide a <a href="#">written notice</a> with information about the Health Insurance Marketplace to each new employee.</p>	<p>Must be provided to each new employee at the time of hiring, within 14 days of the employee's start date.</p> <p>A <a href="#">model notice</a> is available to help employers comply with this requirement.</p>

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FINANCIAL PROVISIONS			
Completed	To Be Completed	Employer Action Items	Deadlines/Tips
<input type="checkbox"/>	<input type="checkbox"/>	<b>Additional Medicare Tax.</b> Withhold <a href="#">Additional Medicare Tax</a> (0.9%) on wages or compensation paid to an employee in excess of \$200,000 in a calendar year.	The tax went into effect in 2013 and applies to certain wages, compensation, and self-employment income received in taxable years beginning after December 31, 2012.
<input type="checkbox"/>	<input type="checkbox"/>	<b>PCORI Fees.</b> Employers sponsoring <a href="#">certain self-insured health plans</a> (including HRAs not treated as excepted benefits) are <a href="#">responsible for fees</a> to fund the Patient-Centered Outcomes Research Institute (PCORI).	<a href="#">IRS Form 720</a> must be filed annually to report and pay the fees no later than July 31st of the year following the last day of the plan year to which the fee applies.
<input type="checkbox"/>	<input type="checkbox"/>	<b>Transitional Reinsurance Program Fees.</b> The <a href="#">Transitional Reinsurance Program</a> collects contributions from employers sponsoring certain self-insured plans that provide major medical coverage. (A third party administrator or administrative-services-only contractor may be utilized for transfer of the contributions.)	The 2014 benefit year contribution could have been made in one payment (if remitted <b>no later than Jan. 15, 2015</b> , reflecting \$63.00 per covered life)—or may be made in two separate payments, with the first contribution amount of \$52.50 per covered life remitted <b>no later than Jan. 15, 2015</b> , and the second contribution amount of \$10.50 per covered life to be remitted <b>no later than Nov. 15, 2015</b> .  For 2015 and 2016, a self-insured plan that does not use a TPA to perform its claims processing, claims adjudication, and enrollment functions generally <b>does not</b> have to pay these fees.
Plans With Tax-Favored Arrangements (Cafeteria Plans, FSAs, HRAs) ALSO MUST:			
Completed	To Be Completed	Employer Action Items	Deadlines/Tips
<input type="checkbox"/>	<input type="checkbox"/>	<b>Cafeteria Plan Mid-Year Election Changes.</b> If employees are allowed to make <b>additional mid-year changes in salary reduction elections</b> in the event of an employee's enrollment in Health Insurance Marketplace coverage and/or a reduction in an employee's hours of service, <b>ensure appropriate plan amendments were adopted.</b>	The amendment must be adopted on or before the last day of the plan year in which the elections are allowed, and may be effective retroactively to the first day of that plan year, provided the cafeteria plan operates in accordance with <a href="#">agency guidance</a> and the employer informs participants of the amendment.
<input type="checkbox"/>	<input type="checkbox"/>	<b>Prohibited Cafeteria Plan Benefits.</b> Confirm that section 125 plan documents were amended to comply with the <b>prohibition on providing a qualified health plan</b> offered through the Individual Health Insurance Marketplace as a benefit under an employer-sponsored cafeteria plan.	Effective as of 2014.

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### Plans With Tax-Favored Arrangements (Cafeteria Plans, FSAs, HRAs) ALSO MUST (CONT'D)

Completed	To Be Completed	Employer Action Items	Deadlines/Tips
<input type="checkbox"/>	<input type="checkbox"/>	<b>Analyze HRAs.</b> Confirm that an HRA is <b>not being used to reimburse an employee's individual policy premiums.</b>	Effective as of 2014. Such an arrangement <a href="#">may be subject to</a> a \$100/day excise tax per applicable employee.
<input type="checkbox"/>	<input type="checkbox"/>	<b>Analyze FSAs.</b> Confirm that a health FSA <b>qualifies as excepted benefits</b> to comply with the preventive services requirements.	Generally effective as of 2014. Health FSAs are considered to provide only <a href="#">excepted benefits</a> if the employer also makes available group coverage that is not limited to excepted benefits and the health FSA is structured so that the maximum benefit payable to any participant cannot exceed two times the participant's salary reduction election for the health FSA for the year (or, if greater, cannot exceed \$500 plus the amount of the participant's salary reduction election).
<input type="checkbox"/>	<input type="checkbox"/>	<b>FSAs Through Cafeteria Plans.</b> Confirm that a health FSA is <b>offered through a cafeteria plan</b> (a plan meeting <a href="#">specific requirements</a> to allow employees to receive certain benefits on a pre-tax basis) in order to comply with the law.	Generally effective as of September 13, 2013.
<input type="checkbox"/>	<input type="checkbox"/>	<b>FSA Contribution Limits.</b> Ensure plan documents were amended to reflect that employee <b>salary reduction contributions to health FSAs are limited to \$2,500 annually</b> (as adjusted for inflation--for taxable years beginning in 2015, the annual limit <a href="#">increased</a> to <b>\$2,550</b> ).	Plan documents must have been amended by <b>December 31, 2014</b> to reflect the FSA contribution limit. The amendment could have been expressed as a maximum dollar amount, a maximum percentage of compensation, or by another method of determining the maximum salary reduction contribution.
<input type="checkbox"/>	<input type="checkbox"/>	<b>FSA Carryovers.</b> Determine whether you will allow employees to <b>carry over up to \$500 of unused health FSA amounts</b> to use in the following plan year under the <a href="#">modified "use-or-lose" rule</a> , and <b>adopt appropriate plan amendments.</b>	The amendment must be adopted on or before the last day of the plan year from which amounts may be carried over and may be effective retroactively to the first day of that plan year, provided the plan operates in accordance with <a href="#">agency guidance</a> and informs participants of the carryover provision. A plan incorporating the carryover provision <b>may not also provide for a grace period</b> in the plan year to which unused amounts may be carried over.

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