EMPLOYER RESPONSIBILITY

Compliance Checklist

ALL EMPLOYERS	
	CHIP – CHILDREN'S HEALTH INSURANCE PROGRAM – The notice must be provided annually, on an automatic basis, and free of charge. It must inform each employee (regardless of enrollment status) of potential opportunities for premium assistance in the state in which the employee resides. This notice could be included in annual enrollment material or plan SPD.
	WOMEN'S HEALTH AND CANCER RIGHTS ACT (WHCRA) – Employers (provided by the health insurance carrier) must provide a notice to all employees when they enroll in the health plan and every year thereafter describing the benefits.
	MEDICARE PART D – Annual notice to be delivered to Part D-eligible employees informing them whether the prescription drug plan/s that are offered are either creditable (equal to or better than standard prescription plan) or non-creditable (worse than the standard plan).
	MEDICARE PART D – The second disclosure requirement is an employer requirement to complete the online Disclosure to CMS (Centers for Medicare and Medicaid Services) to report the creditable coverage status of the prescription drug plan for the plan year. This disclosure must be completed annually no later than 60 days from the beginning of the plan year.
	RxDC REPORTING – Employers are required to report health plan information and average monthly premiums paid by members and employers to CMS (Centers for Medicare and Medicaid Services). This reporting must be submitted annually no later than June 1st.
	MARKETPLACE COVERAGE OPTIONS – The Marketplace/exchange notice is to be given to all employees within 14 days of their date of hire. This will inform all employees of the options available through the Marketplace and their employment-based health coverage.
	SUMMARY PLAN DESCRIPTION (SPD) – The plan administrator must provide to participants at the time of initial enrollment, at various times during participation, and whenever it is asked for during employment. The document tells participants what the plan provides and how it operates. It provides information on when an employee can begin to participate, how service and benefits are calculated, when and in what form benefits are paid, and how to file a claim for benefits. If a plan is materially changed, participants must be informed, either through a revised SPD, or in an SMM (see below).
	SUMMARY OF MATERIAL MODIFICATIONS (SMM) – When there is a material change to any benefits plan (i.e., carrier change, eligibility change, benefit structure change), all participating employees must receive a copy of the SMM within 210 days after the plan year-end in which the change occurred (60 days from the effective date of the change in the event of a material reduction in benefits).
	WRAP DOCUMENT – This document can be used in conjunction with the documents that vendors provide to cover all the information for all the health and welfare plans in one document and permit one form 5500 filing.
	CAFETERIA PLAN – A Cafeteria Plan permits employees to pay certain qualified expenses (such as health insurance premiums, out-of-pocket medical expenses, and certain day care expenses) on a pre-tax salary reduction basis, thereby reducing their total taxable income and increasing their spendable/take-home income. A cafeteria plan is sometimes called a "Flexible Benefits" or "Section 125" plan.

NOTE: This is not an exhaustive list and the compliance environment is changing very quickly so look for future communications to stay current.

EMPLOYER RESPONSIBILITY

Compliance Checklist

ALL EMPLOYERS *(Cont.)*	
	FORM W-2 REPORTING – The reporting of the aggregate cost of healthcare (medical) benefits in Box 12 of each employee's Form W-2. This reporting is informational only. Transition relief only requires reporting for employers who file at least 250 Form W-2s.
	SUMMARY OF BENEFITS AND COVERAGE (SBC) – This document must be distributed to all employees of all group health plans when they are initially applying for benefits, to special enrollees (life events), during open enrollment, and upon request. Typically the health carrier or third party administrator will provide the employer/plan administrator with the SBC for distribution.
	HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA) – Entities, including employer-sponsored health plans that meet the definition of a covered entity under HIPAA must comply with the requirements to protect the privacy and security of certain health information and must provide individuals with a notice of practices describing certain rights with respect to this health information.
EMPLOYERS WITH 20 OR MORE EMPLOYEES	
	INITIAL COBRA NOTICE – The general notice must be provided within the first 90 days of coverage. Group health plans can satisfy this requirement by including the general notice in the plan's Summary Plan Description only if it provides the SPD to the employee and to the employee's covered spouse within this time limit. An Employer's Guide to Group Health Continuation Coverage Under COBRA FAQs About COBRA Continuation Health Coverage
	COBRA QUALIFYING EVENT NOTICE – An employer who is the plan administrator has 44 days from date of a qualifying event to send notice to the employee and/or affected participants.
EMPLOYERS WITH 50 OR MORE EMPLOYEES	
	FAMILY AND MEDICAL LEAVE ACT (FMLA) – Allows eligible employees to take up to 12 work weeks of un-paid job-protected leave in the applicable 12-month period to care for specified family and medical reasons, with continuation of group health insurance coverage under the same terms and conditions as if the employee had not taken leave.
	1094 & 1095 REPORTING – The 1095C informs employees that they were insured for the previous year, for individual tax reporting purposes. The 1094C is filed with the IRS to comply with employer responsibility of supplying health insurance to employees.
PLANS WITH 100 OR MORE PARTICIPANTS	
	FORM 5500 – Each welfare plan with 100 or more participants must file a Form 5500 Annual Report with the Department of Labor. Form 5500 contains specified financial information about the plan and the identity of insurers and other service providers.
	SAR (SUMMARY ANNUAL REPORT) – This is a summary of the annual Form 5500 report. Unfunded, self-insured plans are exempt from this requirement.

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COMPLIANCE TIMELINE

HWP	Client	
NEW HIRE		
		• *Summary Plan Description (SPD)* – Within 90 days of coverage
		• *Summary of Benefits and Coverage (SBC)* – With enrollment materials
		• *COBRA (Initial Notice)* – Within 90 days of coverage
		• *CHIP*
		• *Women's Health and Cancer Rights Act (WHCRA)*
		• *The Exchange Notice* – Within 14 days of date of hire
		• *HIPAA Special Enrollment Rights Notice*
OPEN ENROLLMENT		
		• *CHIP*
		• *Summary of Benefits and Coverage (SBC)*
		• *Women's Health and Cancer Rights Act (WHCRA)*
		• *Medicare Part D – CMS Reporting – 60 days after renewal of plan*
OTHER		

		• *Summary Plan Description (SPD)*
		  • Every five years – If there have been material changes (i.e., requiring SMMs)
		  • Every 10 years – If no changes
		  • Within 30 days of written request

		• *Summary of Material Modification (SMM)* – Within 210 days after the end of the plan year unless it is a material reduction in benefits then within 60 days of the reduction
		• *COBRA (Election Notice)* – Within 30 days of the event

		• *Family Medical Leave Act (FMLA)*
		  • Eligibility Notice – Within five business days once an employee has requested a family leave
		  • Designation Notice – Within five business days after determination has been made that FMLA is being taken
		FMLA Employer Guide
		FMLA Poster

		• *Form 5500 Filing*
		  • Form 5500 – Within seven months after the end of the Plan Year; can apply for 2½ month extension
		  • Summary Annual Report – Generally within nine months after the end of the Plan Year

		• *RxDC Filing* • RxDC reporting must be filed with CMS each year by June 1st
		• *Medicare Part D* • Creditable Coverage Notice – Generally, by October 15th annually and upon request

		• 1094 &1095 Reporting
		  • 1095C must be sent to all employees by January 31st
		  • 1094C must be filed with the IRS each year by March 31st

For more information email info@hwphillips.com or call (202) 331-9200.

This Compliance Checklist is not intended to be exhaustive, nor should any discussion or opinions be construed as legal advice.