

OCTOBER 2014

WEBINAR: EEO Basics Reducing the Risk of Discrimination Claims

Thursday, October 16, 2014
2:00 p.m. - 3:00 p.m. EDT

[Click to learn more and register](#)

If your firm has 15 or more employees at least some of the Federal anti-discrimination / anti-harassment laws apply. Even smaller employers may be covered by state or local EEO regulations. Although simple in concept, fully complying with EEO requirements can be challenging for even the most sophisticated employer. Our webinar will cover the basic regulatory requirements as well as strategies an employer may use to limit the risk of discrimination and harassment claims.

This educational webinar has been submitted to the HR Certification Institute (HRCI) for 1 general hour of continuing education credit towards PHR, SPHR and GPHR certifications.

If you are interested in participating in this webinar, please go to the following link:
<https://www2.gotomeeting.com/register/233597738>

In This Issue...

WEBINAR: EEO Basics Reducing the Risk of Discrimination Claims

Employers Must Provide Medicare Part D Notices by October 15th

Webinar: New Reporting Responsibilities for Employers Starting in 2015

IRS Updates Q&As on ACA Information Reporting

Additional Permitted Election Changes for Health Coverage Under Cafeteria Plans

OSHA Final Rule Updates Reporting & Recordkeeping Requirements

Employers Must Provide Medicare Part D Notices by October 15th

Employers Must Provide Medicare Part D Notices by October 15th In preparation for the Medicare fall open enrollment period, employers sponsoring **group health plans that include prescription drug coverage** are required to notify all Medicare-eligible individuals whether such coverage is creditable. [Creditable coverage](#) means that the coverage is expected to pay, on average, as much as the standard Medicare prescription drug coverage.

Written Disclosure Provided to Certain Individuals

This [written disclosure notice](#) must be provided annually **prior to October 15th**, and at various other times as required under the law, to the following individuals:

- Medicare-eligible active working individuals and their dependents (including a Medicare-eligible individual when he or she joins the plan);
- Medicare-eligible COBRA individuals and their dependents;
- Medicare-eligible disabled individuals covered under an employer's prescription drug plan; and
- Any retirees and their dependents.

[Model notices](#) are available from the Centers for Medicare & Medicaid Services (CMS).

Online Disclosure Also Required

Additionally, employers are required to complete an [online disclosure](#) to CMS to report the creditable coverage status of their prescription drug plans. This disclosure is also required annually, **no later than 60 days from the beginning of a plan year**, and at certain [other times](#).



Our [Medicare](#) section features additional information for employer-sponsored group health plans.

WEBINAR: New Reporting Responsibilities for Employers Starting in 2015

Tuesday, October 28, 2014
2:00 p.m. - 3:00 p.m. EDT



[Click to learn more and register](#)

Join us as Stacy Barrow of Proskauer Rose covers the new ACA reporting requirements that apply to “applicable large employers” and sponsors of self-insured plans starting in 2015. We will review the requirements under Sections 6055 and 6056 of the Internal Revenue Code that were added by the Affordable Care Act. Code Section 6055 requires reporting by employers that provide “minimum essential coverage.” Code Section 6056 requires large employers (those with 50+ employees) to report information regarding their full time employees. Both Sections 6055 and 6056 require statements to be furnished to individuals and to the IRS.

Please register at <https://www2.gotomeeting.com/register/929039906>

IRS Updates Q&As on ACA Information Reporting

Two sets of recently updated Q&As from the Internal Revenue Service (IRS) provide guidance on the information reporting requirements under the Affordable Care Act (ACA). [One set of Q&As](#) relates to information reporting by health coverage providers under Internal Revenue Code (IRC) section 6055, and the [other set of Q&As](#) relates to reporting on offers of health insurance coverage by employers under IRC section 6056.

ACA Information Reporting Basics

The ACA requires insurers, self-insuring employers, and other parties that provide [minimum essential health coverage](#) (MEC) to report information on this coverage to the IRS and to covered individuals (“section 6055 reporting”). Large employers (generally those with **50 or more full-time employees**, including full-time equivalents) are also required to report information to the IRS and to their employees about their compliance with the [employer shared responsibility provisions](#) (“pay or play”) and the health care coverage they have offered (“section 6056 reporting”).

Updated Q&As

Both sets of Q&As make clear that information reporting under sections 6055 and 6056 is voluntary for calendar year 2014. Therefore, the first section 6055 and 6056 returns required to be filed are for the 2015 calendar year and **must be filed no later than February 29, 2016** (or March 31, 2016, if filed electronically). The Q&As also provide information regarding what information is required to be reported, and how to report the required information, among other things.

Draft Forms & Instructions

The Q&As also reference draft forms that were recently released to help reporting entities prepare for compliance. The following draft forms, including draft instructions, are now available:

MEC Reporting (Section 6055)

- [Draft Form 1094-B](#)
- [Draft Form 1095-B](#)
- [Draft Instructions](#)

Large Employer Reporting (Section 6056)

- [Draft Form 1094-C](#)
- [Draft Form 1095-C](#)
- [Draft Instructions](#)

Employers that are subject to both reporting provisions (generally large employers that sponsor self-insured group health plans) are permitted to satisfy their reporting obligations on Form 1095-C, which will have separate sections for reporting under sections 6055 and 6056. [Click here](#) for more information on the reporting requirements.

Our [ACA by Year & Company Size](#) section features additional requirements under Health Care Reform.

Additional Permitted Election Changes for Health Coverage Under Cafeteria Plans

New [agency guidance](#) expands the application of the permitted election change rules for employer-sponsored health coverage under a cafeteria plan in two situations -- an employee's **enrollment in Marketplace coverage** and **reduction in hours of service** -- provided specific conditions are met. The guidance became effective on **September 18, 2014**.

Current Permitted Election Changes

Generally, elections under a [cafeteria plan](#) (also known as a section 125 plan) must be made before the start of a plan year and are irrevocable during the year, with limited exceptions such as certain "[changes in status](#)" (including changes in employment status) and with respect to [special enrollment rights](#).

Highlights of New Guidance

In general, a cafeteria plan may allow an employee to prospectively revoke an election of coverage under a group health plan -- that is not a health flexible spending arrangement (FSA) and that provides [minimum essential coverage](#) (MEC) -- provided the following conditions are met:

Revocation Due to Enrollment in Marketplace Coverage

1. The employee is eligible for a special enrollment period to enroll in Marketplace coverage, or the employee seeks to enroll in such coverage during the Marketplace's annual open enrollment period; and
2. The employee (and any related individuals who cease coverage due to the revocation) enrolls in Marketplace coverage, effective immediately following the last day of the original coverage that is revoked. For this purpose, a cafeteria plan may rely on an employee's reasonable representations.

Revocation Due to Reduction in Hours of Service

1. The employee changes from full-time status to part-time status (i.e., he or she will reasonably be expected to average less than 30 hours of service per week after the change), even if the reduction in hours does not result in the employee ceasing to be eligible under the group health plan; and
2. The employee (and any related individuals who cease coverage due to the revocation) enrolls in another plan that provides MEC, effective no later than the first day of the second month following the month the original coverage is revoked. For this purpose, a cafeteria plan may rely on an employee's reasonable representations.

Cafeteria plans **must be amended** to provide for the new permitted election changes in accordance with the guidance under [Notice 2014-55](#), which generally provides that such amendments can be made for plan years beginning in 2014 at any time on or before the last day of the plan year beginning in 2015.

Be sure to visit our section on [Permitted Election Changes](#) for more information.



Be sure to visit our section on [Permitted Election Changes](#) for more information.

OSHA Final Rule Updates Reporting & Recordkeeping Requirements

The Occupational Safety and Health Administration (OSHA) has released a [final rule, effective January 1, 2015](#), that changes the criteria for reporting severe injuries and revises the list of employers partially exempt from OSHA's recordkeeping provisions.

More Incidents Must Be Reported

Under the final rule, employers must notify OSHA of all work-related fatalities **within 8 hours**, and of all work-related in-patient hospitalizations, amputations, or losses of an eye **within 24 hours**. To assist employers, OSHA is developing a [web portal](#) for employers to report incidents electronically, in addition to phone reporting options.

It is important to note that **all employers covered by the [Occupational Safety and Health Act](#)** -- even those who are exempt from maintaining injury and illness records -- **are required to comply** with OSHA's new severe injury and illness reporting requirements.

OSHA covers most private sector employers and their workers in all 50 states, the District of Columbia, and other U.S. jurisdictions either directly through [federal OSHA](#) or through an OSHA-approved [state program](#).



New List of Industries Partially Exempt from Recordkeeping

OSHA has also updated the [list of industries](#) that, due to relatively low occupational injury and illness rates, are exempt from the requirement to routinely keep injury and illness records. The new list is based on updated injury and illness data from the Bureau of Labor Statistics. **The new rule maintains the exemption for any employer with 10 or fewer employees -- regardless of its industry classification -- from the requirement to [routinely keep records](#) of worker injuries and illnesses.**

"State Plan" States: Check Your State Plan for Implementation Date

Establishments located in states under federal OSHA jurisdiction must begin to comply with the new requirements on [January 1, 2015](#). **Establishments located in states that operate their own safety and health programs ("state plan" states) should check with their [state plan](#) for the implementation date of the new requirements.** OSHA encourages the states to implement the new coverage provisions on January 1, 2015, but some may not be able to meet this deadline. [Click here](#) for more information, including Fact Sheets and FAQs.

To learn more about worker safety and health, please visit our section on [Safety & Wellness](#).

Marshall & Sterling Insurance will continue to provide you with updates and information regarding important issues. Should you have specific questions or need more information, please contact us.

Regina Murdock
Human Resources Services Specialist
914-962-1188, x2487
rmurdock@marshallsterling.com

Please Note: The information and materials herein are provided for general information purposes only and are not intended to constitute legal or other advice or opinions on any specific matters and are not intended to replace the advice of a qualified attorney, plan provider or other professional advisor. This information has been taken from sources which we believe to be reliable, but there is no guarantee as to its accuracy. In accordance with IRS Circular 230, this communication is not intended or written to be used, and cannot be used as or considered a 'covered opinion' or other written tax advice and should not be relied upon for any purpose other than its intended purpose.

The information provided herein is intended solely for the use of our clients and members. You may not display, reproduce, copy, modify, license, sell or disseminate in any manner any information included herein, without the express permission of the Publisher. Kindly read our Terms of Use and respect our Copyright.