Hamilton Headlines

SEPTEMBER 28, 2015

REMINDER Medicare Part D Notice Due 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.

A 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).

2016 Open Enrollment date for Medicare starts on October 15th and ends on Dec. 7th.

****REMINDER****

Understanding PPACA Reporting Requirements

With Marketplace Open Enrollment set to begin on November 1, 2015, the Centers for Medicare & Medicaid Services (CMS) today announced grant awards totaling $67 million to support outreach efforts designed to connect people with local help as they seek to understand the coverage options and financial assistance available at HealthCare.gov. Awarded to 100 organizations located in 34 states that operate Federally Facilitated Marketplaces, State Partnership Marketplaces, and supported State-Based Marketplaces, the three year-long Marketplace Navigator grants will fuel efforts to help consumers enroll in a health plan that fits their budget and best meets their family's needs.

"There are a lot of choices when it comes to signing up for health insurance and we want to help make sure consumers feel confident that they've picked the right plan," said Kevin Counihan, CEO of the Health Insurance Marketplaces. "In person assistance from Navigators and assisters has proven to be an incredibly important avenue for consumers to get the right coverage. I'm pleased that Navigators and assisters will be available in even more geographic areas this year."

Navigators and assisters are trained specialists who provide consumers in their communities with in-person help, answering their questions about their health insurance and financial assistance options and assisting them as they complete their application. Navigators and assisters are knowledgeable about the range of health plans available on HealthCare.gov as well as other public health insurance programs offered in their state, including Medicaid and the Children's Health Insurance Program (CHIP). The navigator awards announced today will allow organizations to work with consumers for the next three years.

Very few of us are ready for the new PPACA reporting requirements. Many of us are aware that reports are due at year end, but haven't even looked at the rules. Should we be concerned? The answer depends upon your company size and how your organization funds its group health benefits.

What are we talking about? The requirement mandates applicable large employers (those with 50 or more full-time equivalent employees) and small employers (under 50 full-time equivalent employees) sponsoring self-funded health plans to report on group health coverage offered to employees or to disclose that health

ACA Reinsurance Fee

The Transitional Reinsurance Program is a three-year program that began in 2014 and continues through
2016, which was established by the Affordable Care Act to stabilize premiums in the individual market both inside and outside of the health insurance Marketplaces ("Exchanges"). The program requires
employers sponsoring certain self-insured plans to make contributions to support payments to individual market issuers that cover high-cost individuals.

Health insurance issuers and certain self-insured group health plans offering "major medical coverage"that is part of a commercial book of business are considered contributing entities.

Read on

Consumers With COBRA Coverage Should Weigh Moving To Health Law Plans

As the open enrollment season for employer-sponsored health insurance gets underway this fall, experts say there's one group that should definitely consider changing plans: people who have coverage through their former employer under the federal law known as COBRA.

COBRA allows people who leave their jobs to keep their job-based group coverage for 18 months, sometimes longer, and COBRA enrollees generally renew that coverage during the company's enrollment period. But the catch is that former workers are responsible for the entire premium, usually a hefty increase over their previous monthly bill because they lose the employer subsidy, which typically runs about 75 percent of the cost.

Before the health law passed, people who lost their jobs may not have had other options. Plans on the individual market could turn people down because of their health, and the coverage was often skimpy and expensive in any case. Times have

coverage was not offered to employees in 2015. There are two reports employers must prepare: (1) an annual information return that is filed with the Internal Revenue Service (IRS), and (2) statements to provide to full-time employees about the group health plan coverage offered.

More

Plan Ahead For New DOL Overtime Regulations

Commentary: The U.S. Department of Labor released a highly anticipated proposed new rule that will significantly broaden federal overtime protection for employees. Secretary of Labor Thomas Perez has said, "the proposed overtime rule goes to the heart of what it means to be middle class in America." Indeed, by the DOL's own calculations, roughly 25% of all exempt employees in the country will be rendered nonexempt and eligible for overtime pay under the proposed rule.

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Top Headlines of the Week

-- Oregon is the latest state to approve a state-sponsored retirement plan for those employees who don't have access to a retirement plan at work. Oregon joins California, Illinois and Connecticut, who have also passed state-run retirement plan initiatives.

-- Consumers will earn Walgreens Balance Rewards points for enrolling in and funding accounts, activating benefit debit cards, making purchases using their cards, or by participating in healthy activities such as walking, biking and weight management. Pharmacy chain Walgreens, which is already expanding into retail health, will partner with Alegeus Technologies in offering customers wellness rewards for healthy behavior and other activities.

-- Enrollment figures released by the Centers for Medicare & Medicaid Services show close to 10 million people have signed up for insurance through the Health Insurance Marketplace, as of June 30. CMS said 9.9 million individuals had paid their premiums and had an active policy by the end of June.

--Most D.C. residents who buy health insurance through an online marketplace under the federal Affordable Care Act will see a modest increase in prices next year. Insurance plans for individuals will cost, on average, 4 percent more - a gentler increase than in Maryland, where the most popular plan will cost on average 26 percent more starting in January.

The insurers who offer individual plans on the marketplace initially asked for rate increases ranging from 6.5 percent to 14.5 percent, DISB said. But after

changed. Now individual policies sold through the state marketplaces must offer comprehensive benefits and accept all applicants without charging sick people more. People with incomes up to 400 percent of the federal poverty level (currently $47,080 for one person) may qualify for premium tax credits to make coverage more affordable.

Continue

CMS Releases First Ever Plan to Address Health Equity in Medicare

The Centers for Medicare & Medicaid Services (CMS) Office of Minority Health (CMS OMH), unveiled the first CMS plan to address health equity in Medicare. The CMS Equity Plan for Improving Quality in Medicare (CMS Equity Plan for Medicare) is an action-oriented plan that focuses on six priority areas and aims to reduce health disparities in four years.

Full article

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the rate review process, they agreed to smaller increases - an average of 2 percent for CareFirst HMO plans, 4.6 percent for CareFirst PPO plans and 6.6 percent for Kaiser Permanente HMO plans.

-- **DOL promotes pay transparency among federal contractors**

Ensuring that women earn equal pay for equal work is essential to improving the economic security of our families and the strength of our middle class. In too many workplaces around the country, however, a culture of secrecy keeps women from knowing that they are underpaid, and makes it difficult to enforce equal pay laws. Prohibiting pay secrecy policies and promoting pay transparency helps address the persistent pay gap for women - that remains at 23 cents for every dollar earned by men - and provides employers access to a diverse pool of qualified talent. That is why the U.S. Department of Labor issued a commonsense rule that finally lifts the veil on pay for employees of federal contractors and subcontractors.

-- If your clients enrolled in Individuals and Families plan and received federal financial assistance to pay for health coverage in 2014, they are required to file a 2014 federal income tax return in 2015. The Marketplaces use federal tax returns to verify income and determine eligibility for federal financial assistance. The IRS sent out Letter 5591 communicating this in July, and some Marketplaces are also sending notices.

If individuals' tax filings are not in order, they may be renewed without any federal financial assistance. Members must file the 1040 form. The 1040EZ form will not work. In addition, those who received federal financial assistance in 2014 must file IRS form 8962.

Renewal kits members will be receiving in September and October will **not** address this issue. Their renewal letter will tell them how much federal financial assistance they may be eligible for based on 2015, but it does not say anything about the need to file their tax return.

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