

Year End Reminders for 2022



The majority of group health plans renew on January 1. With open enrollment (OE) behind us and a new plan year in our sights, it's time to wrap up any loose ends. In the spirit of the season, we've compiled a to-do list that we encourage you to check twice to confirm all required tasks are tied up nicely with a bow. This is not intended to be an exhaustive list but hopefully helps you in this busy time.

- Provide COBRA participants with plan information as you would any other OE participant**, noting that they have outbreak period extensions to submit payments and have the same annual open enrollment opportunities to change their plan and dependent elections as active employees do.
- Distribute federally mandated health plan notices to employees including a HIPAA Privacy Notice, Women's Health and Cancer Rights Act (WHCRA) Notice and more.
- Audit invoices monthly to ensure accuracy of elections and premiums in the new plan year.
- Ensure affordability** of your lowest-cost single plan providing minimum value for all full-time employees in order to avoid potential ACA penalties
 - Note the affordability percentage decreased from 9.61% in 2022 to 9.12% for 2023
- Prepare to provide accurate ACA reporting in January**
 - 2022 reporting due in early 2023 does not have a good faith standard, so submitting inaccurate or incomplete reporting could result in penalties for failure to file correctly
 - Applicable large employers (ALEs) must complete the 1094-C/1095-C forms
 - Self-funded non-ALEs must complete the 1094-B/1095-B forms
- CAA/Transparency requirements for Self-funded medical plans**
 - Ensure written agreements between the employer and plan administrator address responsibility and liability/hold harmless language with respect to medical ID cards, provider directories, continuity of care, the No Surprises Act, machine readable file [postings](#), [RxDC reporting](#), cost estimators with real-time cost-sharing, and more
 - RxDC reporting for calendar year 2020 and 2021 are due December 27, 2022
 - RxDC reporting for calendar year 2022 will be due by June 1, 2023
- CAA/Transparency requirements for fully insured medical plans**
 - **Be diligent with updates from your carrier to understand how they will help your group health plan comply with the requirements,**
- Amend plan documents with any COVID-19 relief measures** you have allowed but have not yet formally adopted into your written plan (or measures you adopted but need to sunset in your written plan)
 - Your wrap plan/SPD may need to be updated for:**
 - Any relaxed eligibility terms you offered (or sunset) due to layoffs/furloughs
 - Waived waiting periods for rehires after 13 weeks (or the sunseting of such waivers)
 - Measurement periods that may have given "credit" for furloughs (or sunseting such credit)
 - Low- or no-cost telehealth benefits which you may have provided to high deductible health plan (HDHP) participants April 2022 through the end of 2022 but in 2023 need to [return](#) to charging the fair market value for those who have not yet met the federal minimum deductible requirement
 - Outbreak period extensions
 - Your health and dependent care FSAs may need to be updated for:**
 - Enhanced carryover or grace period benefits (or sunseting them)
 - Note enhanced carryovers were permitted for plan years ending in 2020 and 2021, so they should expire with the plan year ending in 2022 and revert to only allowing carryovers up to the normal indexed maximums
 - Similarly, enhanced grace periods were permitted for plan years ending in 2020 and 2021, so they should expire with the plan year ending in 2022 and revert to the normal allowable grace period of up to 2.5 months

Year End Reminders for 2022 (continued)

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- Your health and dependent care FSA may need to be updated for (continued):**
 - Over-the-counter (OTC) [hearing aids](#) can be an eligible expense as of October 19, 2022
 - Adopt the 2022 and [2023](#) increased limits if they are not automatically increased by reference to statutory indexing
- You may want to update your cafeteria plan document for 2023 to [allow](#) a qualifying life event for family members that intend to enroll in the public health insurance Exchange Marketplace through an annual open enrollment period or special enrollment period
- Your health plan may need to be updated with any dates you provided specialized coverage, such as waiving cost-sharing for telehealth visits as well as COVID-19 testing, vaccines, and treatments
 - Some required changes may also include removing blanket exclusions for gender-affirming care, any necessary updates to stay compliant with the MHPAEA, the various No Surprises Act and transparency measures, etc.
- Preventive care [updates](#) required in 2023 of all non-grandfathered plans
- Double-check non-grandfathered contraceptive coverage meets [requirements](#)
- Your wellness plan with any vaccine [incentives](#)
- You may wish to update your tuition reimbursement plan to allow [student loan](#) payments as an eligible expense through the end of 2025
- Help your flexible spending account (FSA) administrator with resolving unsubstantiated claims**
 - If your employees are not responding to requests for receipts to substantiate an FSA debit card transaction, then the FSA administrator may need your help reaching out to those employees to request valid receipts
 - If an employee won't submit proper substantiation, then they owe your plan a debt, which is the employer's [responsibility](#) to collect
- Run annual non-discrimination testing** as of the last day of the plan year
 - This includes cafeteria plan testing, self-funded plan testing (including health FSAs and HRAs), and dependent care FSA testing
- Properly claim government credits** you qualify for and wish to claim, such as:
 - Employee retention credits ([ERC](#))
 - Paid FMLA tax [credits](#)
- Comply with state law requirements** applicable to you, such as:
 - State individual mandate reporting
 - [PBM](#) and other claim reporting laws (newer ones include IL and [WA](#) but there are plenty more)

IMA will continue to monitor regulator guidance and offer meaningful, practical, timely information.



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