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Agencies Plan to Issue Final Rules for SBC Requirements

On March 31, 2015, the Departments of Labor (DOL), Health and Human Services (HHS) and the Treasury (Departments) issued [Frequently Asked Questions](#) (FAQ) announcing their intention to issue final regulations for the Affordable Care Act's (ACA) summary of benefits and coverage (SBC) and uniform glossary requirement. These regulations will finalize the proposed regulations from Dec. 22, 2014.

The ACA requires these disclosure tools—the SBC and uniform glossary—to help consumers compare available coverage options. The requirement to provide them applies to both grandfathered and non-grandfathered plans. Health plan issuers must provide the SBC to applicants and enrollees free of charge. The SBC is a concise document that provides simple and consistent information about health plan benefits and coverage.

The final regulations are expected to be released in the near future and will apply for plan years beginning on or after Jan. 1, 2016 (including open enrollment periods in fall of 2015 for coverage beginning on or after Jan. 1, 2016).

The updated template and related documents, including sample language and instructions, for the SBC and uniform glossary will not be issued until January 2016. The updated template will then apply for plan years beginning on or after Jan. 1, 2017. Until further guidance is issued, the previously updated template provided on the [DOL's website](#) on April 23, 2014, continues to be authorized.

The March 31 FAQ guidance leaves a lot of uncertainty for employers in regard to their SBC documents. The changes included in the final regulations may require health plans to update their SBC documents before the new template is released.

Fully-insured health program SBCs are generated by the insurance carrier, and will be supplied to you and your employees by Alper Services. Most often SBCs are distributed during open enrollment and upon request for new hires. 

HSAs Will See Adjusted Limits in 2016

On May 4, 2015, the Internal Revenue Service (IRS) released Revenue Procedure 2015-30 to announce the inflation-adjusted limits for health savings accounts (HSAs) for calendar year 2016.

The following limits apply for 2016:

- The HSA contribution limit is \$3,350 for self-only and \$6,750 for family.
- The minimum deductible for high deductible health plans (HDHPs) is \$1,300 for self-only and \$2,600 for family.
- The maximum out-of-pocket for HDHPs is \$4,550 for self-only and \$13,100 for family.
- Catch-up contribution limits for HSAs and HDHPs for people age +55 are \$1,000.

Most HDHPs will offer embedded deductibles in 2016. With an embedded deductible, an employee's plan contains two components: an individual deductible and a family deductible. This allows each member of the employee's family the opportunity to have their insurance policy cover their medical bills prior to the entire dollar amount of the family deductible being met. The individual deductible is embedded in the family deductible.

For example, you, your spouse and daughter are on a family plan with a \$3000 family embedded deductible, and the individual deductible is \$1000. If your daughter incurs

\$1000 in medical bills, her deductible is met, and any subsequent medical bills for your daughter that year, the insurance will help pay even though the family deductible of \$3000 has not been met yet. 

Did You Know?

One of the key provisions of the Affordable Care Act (ACA) for small employers are premium calculations based on an adjusted community rating. "Small employers" are defined as those with 50 or fewer employees. Effective January 2016, the definition for Small Employers will be revised to encompass groups with up to 100 employees.

If your company was not previously considered a Small Employer, but will now fall into that group under the new definition, your premiums may change depending upon the demographics of your employee population. Alper can help you understand these and other ACA changes, and make the transition smooth.

Contact us to discuss in detail at EBteam@AlperServices.com or call 312-654-4269.



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