



Health Care Reform



2015 Year in Review

Part I: Health and Welfare Plans

In 2015, employers faced many legal and regulatory changes in the health and welfare benefits, human resources, and retirement and pension arenas. To help employers navigate the many new requirements and legal changes, Haynes Benefits presents a three part "Year in Review" series. In the first of this three part series, Haynes Benefits focuses on the legal and regulatory highlights in the health and welfare benefits arena. In the coming weeks, parts two and three of the series will highlight updates in the human resources and retirement and pension arenas respectively. With two major Supreme Court rulings, guidance issued from several agencies, and numerous proposed and final regulations published, 2015 was a pivotal year in the world of health and welfare benefits. In case you missed it, here's a quick recap of some of the highlights:

- Supreme Court upheld the availability of subsidies for individuals purchasing health insurance through Federal Exchanges;
- IRS closed the minimum value loophole by requiring employer-sponsored health plans to provide substantial inpatient hospital and physician services coverage;
- The deadlines for furnishing the 2015 Forms 1094 and 1095 were extended and penalties for filing failures in 2016 were increased;
- Employers sponsoring HRAs that provide minimum essential coverage may qualify for relief from 1094/1095 reporting requirements under limited circumstances;
- PACE Act restored the definition of small employer to 50 employees;
- Automatic enrollment provision under the Affordable Care Act repealed;
- Cadillac tax delayed for two years;
- Transit parity restored and the combined limit for transit and vanpooling benefits under a qualified transportation plan permanently increased;
- Final regulations regarding SBCs issued;
- Final rules regarding coverage of certain preventative services under the ACA released;
- Exemptions for "religious employers" were created and an accommodation process put in place for nonexempt, nonprofit organizations and certain closely held for-profit corporations with religious objections to providing contraceptives;
- HHS clarified that the self-only cost-sharing limit applies separately to each covered individual, whether the individual has self-only, family or another coverage tier level;
- Supreme Court ruled that states must allow same-sex couples the right to marry and all states must recognize same-sex marriages lawfully performed in other jurisdictions;
- Several significant HIPAA breaches reported;
- EEOC issued proposed regulations regarding wellness plans under ADA and GINA;
- EBSA issued proposed regulations regarding claims procedures for plans offering disability benefits;
- Guidance further clarifies that employers are prohibited from reimbursing an employee's individual health insurance premiums through arrangements under cafeteria plans, HRAs, direct employer payments, or after-tax reimbursements;
- IRS issued Notice 2015-87 providing guidance on several issues including integration of HRAs, HRA contributions and affordability under Code §4980H, treatment of flex credits and cash in lieu of benefits for affordability purposes under Code §4980H, Service Contract Act and Davis-Bacon Act issues under Code §4980H, clarification regarding COBRA coverage and FSA carryovers, and clarification regarding crediting hours of service under Code §4980H for amounts paid to comply with workers compensation, unemployment, or disability insurance laws; and
- Health plan identifier enforcement delayed.

Stay tuned for parts two and three of this series, which will provide a review of 2015 in the human resources and retirement and pension arenas.

Dated: February 25, 2016

