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Healthcare Employer Notice Requirement

Keeping up with the timeline of the Patient Protection and Affordable Care Act (PPACA) is difficult for many employers. Compliance with the law was set in motion through a series of stages dating back to 2010. There are several measures which took effect in early 2013, including an Employer Notice Requirement that was required as of March 1st of this year.

For employers that are still unclear on this requirement, the following are a few details provided by *Employee Benefits News*:

- Employers must provide employees with written notice concerning the existence of a

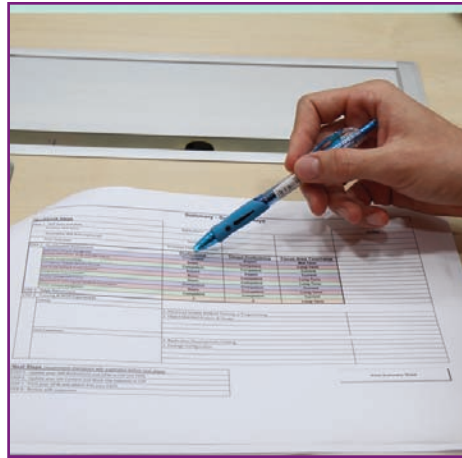
health insurance exchange.

- Written notice must inform employees of their potential eligibility for federal assistance

if the employer's plan is considered unaffordable under the law.

- Written notice must be provided to inform employees that they may lose any contribution offered by the employer if they choose to purchase health insurance through the exchange.

If you are an employer trying to comply with the myriad rules under the PPACA, or if you're just confused, we can help. We're staying abreast of all the updates and can help you sort through the noise.



Putting Employees into Healthcare Exchanges

The Patient Protection and Affordable Care Act officially established new health insurance exchanges. These are online marketplaces where consumers can shop for healthcare. Businesses with qualifying numbers of employees must offer a government-specified minimum healthcare plan to employees or pay a fee to the government for each non-covered employee.

You don't have to dump employees into government exchanges. The minimum benefits under the federal requirements may be affordable on the private market, and you can offer other benefits that supple-

ment them, through medical savings accounts and voluntary group benefits. Those might include critical illness coverage, disability insurance and group dental. There are even discount pharmacy programs that help cut expenses.

If you are worried about how this affects your executive benefits, talk to one of our agents. It is still possible to provide your leadership with standout health benefits without discriminating against lower-level staff. We can also advise you on the increasing appeal of defined contribution health plans.

Executive Benefits Are Changing



Companies want to attract and retain the best people to serve in their leadership roles. Part of the draw is a quality executive benefits package, one that rewards them competitively but doesn't run afoul of the law.

New York Life provides suggestions for executive benefits that go beyond the standard pension plan and stock benefits. They are designed to promote retention of key players. Here are a few of their ideas:

- Provide executives with supplemental retirement income that is triggered by performance benchmarks.
- Base benefits increases on length of tenure.
- Increase performance-based incentives prior to retirement.
- Make sure your benefits pick up where their previous employer's benefits end.

Executive benefits often include personal asset protection through Side A directors and officers insurance; executive life insurance plans, such as annuities; and executive disability insurance that is available only while employed by or vested in your company.

Our employee benefits specialists can assist you in designing a top-notch executive benefits program for your key personnel. Call us today to get started.

Considering Retirement Benefits?

If you are considering a retirement plan for your employees, start with this IRS list of retirement plan benefits:

Business Benefits

- Employer contributions are tax-deductible.
- Assets in the plan grow tax-free.
- Flexible plan options are available.
- Tax credits and other incentives for starting a plan may reduce costs.
- A retirement plan can attract and retain better employees, reducing new employee training costs.

Employee Benefits

- Employee contributions can reduce current taxable income.
- Contributions and investment gains are not taxed until distributed.
- Contributions are easy to make

through payroll deductions.

- Compounding interest over time allows small regular contributions to grow to significant retirement savings.
- Retirement assets can be carried from one employer to another.
- Saver's Credit is available.
- Employees have an opportunity to improve financial security in retirement.

We can help you choose from available plan options, set your retirement savings vehicle up with auto enrollment with opt out, and provide your employees with a seminar on saving for retirement so they have more than just informational documents. Saving through payroll deduction is an excellent way to create a nest egg, and it's not difficult to begin. Talk to one of our benefits agents today.

Pet Insurance Is Very Popular

When you think of the important things people have on their get-it-now list, does health insurance for pets enter your mind? It should.

Pet insurance has ranked in the top five employee benefits for several years now. It is typically provided as a group voluntary option with automatic payroll deduction. It normally covers things like veterinary treatment, surgery, lab fees, X-rays and the like. Enrollees receive a discount on their premiums when they join through a group plan at work, and they may also get discounts on pet products and services outside their veterinary bills.

Coverage is available for dogs, cats, birds and exotic pets in some cases. It pays a portion of medical bills for illness and injuries. Policyholders may choose their own veterinarian, specialist and emergency providers without pre-approval under some policies.

Policies are very affordable, with some as low as \$10 per month and the average plan running just under \$30 a month. Premiums are based on a number of factors, including age, species and state of residence. Pre-existing, congenital and hereditary diseases are usually excluded, but there are options to broaden coverage with payments for routine care, such as dental cleanings, yearly exams and vaccinations.

Coverage is available as a voluntary benefit.



Insurance for Critical Illnesses

You may already offer health insurance to your employees, but there are expenses that occur when a critical illness strikes that healthcare plans don't cover. Those include things like housekeeping, child care, pet boarding, high deductibles for medical treatment, and travel or hotel expenses if your treatment center isn't near your home, to name a few.

Critical illness insurance provides cash payouts to policyholders upon the diagnosis of specific diseases and conditions. That cash can be used for whatever the policyholder wishes, including medical costs not covered by health insurance.

The coverage can be sold as a separate policy to individuals, provided as group coverage by employers, or financed through employee payroll deductions at work. The coverage can



also be sold as a rider to a long-term disability (LTD) policy, helping to close the gap between the diagnosis of illness, initiation of disability income payments and actual receipt of LTD payments.

Some life insurance providers offer critical illness insurance as a rider to a life insurance policy. Used in this method, the rider accelerates payment

of one half or more of a death benefit when the illness is diagnosed.

Critical illness insurance can help employers that are seeking relatively inexpensive ways to expand benefits offered to employees. Consider helping your employees deal with extra expenses related to the diagnosis of a critical illness.

Life Changes and the Effect on Benefits

Employees should notify benefits providers about life changes sooner rather than later. Following are tips recommended by the U.S. Department of Labor on what steps to take in certain situations:

Marriage

To qualify for the special enrollment period, you must notify the plan and request special enrollment for everyone enrolling within 30 days of your marriage. Your plan may require written notice, which is usually the safest course of action.

Pregnancy, Childbirth and Adoption

You must notify your plan and request special enrollment within 30 days of your child's birth, adoption, or placement for adoption. The child's enrollment will be treated as occurring on the date of the birth, adoption, or placement for adoption. Your plan

may require that written notice.

Child No Longer a Dependent

Once your covered child is no longer a dependent, notify your employer in writing within 60 days. In turn, your plan should notify your child of his or her right to extend healthcare benefits under COBRA. Your child will have 60 days from the date the notice was sent to elect COBRA coverage. The cost will be higher, since the employer will no longer pay a portion, but it is usually less than the cost of individual coverage.

Death, Legal Separation, and Divorce

Should the employee who is covered by the healthcare plan die, the employer must notify the plan within 30 days. If there is a divorce or legal separation, the covered employ-

ee, spouse, or dependent children must notify the plan in writing within 60 days. In case of death of the covered employee, divorce, or legal separation, the plan should notify the eligible spouse and dependent children who would lose coverage under the plan of their right to purchase temporary extended healthcare coverage. Most plans require eligible individuals to make their COBRA election within 60 days of the plan's notice.

If the spouse losing coverage under the plan has a health plan available through his/her employer, the spouse and dependent children may be eligible for a special enrollment under that plan. To qualify, the spouse must notify that plan and request special enrollment within 30 days of the loss of coverage.

**Thank you for
your referral.**

If you're pleased with us,
spread the word! We'll be
happy to give the same great
service to all of your friends
and business associates

Free Wellness Resources

Employers are often unaware of the abundance of resources available to help create a wellness initiative. Many of these resources are free and can be distributed through the workplace as information-only or used as part of an organized wellness plan. Resources may include statistics, marketing materials, apps or other software downloads, in-person training and many others.

Following are a few suggested resources for employers eager to prioritize wellness in a budget-friendly manner:

- The Centers for Disease Control and Prevention (cdc.gov)
- Your state health department's website
- Your county health department's website
- American Diabetes Association (diabetes.org), American Cancer Society (cancer.org), American Heart Association (heart.org), the COPD Foundation (copdfoundation.org), and other health-related associations.
- Your group health insurance and voluntary benefits providers.