

*San Diego Chapter American Payroll Association
Newsletter - Spring 2014*



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*"It is spring again. The earth is like a child that
knows poems by heart."*

— Rainer Maria Rilke

Health Care Reform



HHS Grants Two-Year Extension for Noncompliant Plans

On March 5, 2014, the Department of Health and Human Services' (HHS) Center for Consumer Information and Insurance Oversight (CCIIO) offered an extension to individuals who currently have a health insurance plan that does not comply with the Affordable Care Act. The extension would allow those insurance plans that do not meet the Affordable Care Act's minimum requirements to continue for an additional two years. States and health care plans do have the option of choosing whether to provide any extension.

The CCIIO bulletin notes that in November 2013, the Centers for Medicare & Medicaid Services (CMS) issued a letter to the State Insurance Commissioners outlining a transitional policy for non-grandfathered coverage in the small group and individual health insurance markets. CMS announced in the letter that if permitted by applicable state authorities, health insurance issuers may choose to continue certain coverage that would otherwise be cancelled, and affected individuals and small businesses may choose to re-enroll in such coverage. Under this transitional policy, "non-grandfathered health insurance coverage in the individual or small group market that is renewed for a policy year starting between January 1, 2014 and October 1, 2014 will not be considered to be out of compliance with certain market reforms if certain specific conditions are met." The latest guidance now extends the "transitional policy for two years," to policy years beginning on or before October 1, 2016.

The CCIIO bulletin detailing the extension provisions can be found at: www.cms.gov

CMS Releases Final Regulations on Notice of Benefit and Payment Parameters for 2015

CMS released final regulations on the notice of benefit and payment parameters for 2015, as part of the Affordable Care Act. The final regulations, released on March 5, 2014, establish payment parameters and oversight provisions related to the risk adjustment, reinsurance, and risk corridors programs; cost-sharing parameters and cost-sharing reductions; and user fees for federally-facilitated Exchanges (marketplaces). The regulations also provide additional standards with respect to composite premiums, privacy and security of personally identifiable information, the annual open enrollment period for 2015, the actuarial value calculator, the annual limitation in cost sharing for stand-alone dental plans, the meaningful difference standard for qualified health plans offered through a federally-facilitated Exchange, patient safety standards for issuers of qualified health plans (QHPs), and the Small Business Health Options Program (SHOP). The regulations become effective on May 12, 2014.

Treasury and IRS Publish Final Regulations on Information Reporting by Large Employers on Health Insurance Coverage Under Employer-Sponsored Plans



On March 5, 2014, the Treasury and Internal Revenue Service (IRS) released final regulations providing guidance to employers that are subject to the information reporting requirements under Section 6056 of the Internal Revenue Code (Code), enacted by the Affordable Care Act (generally employers with at least 50 full-time employees, including full-time equivalent employees). Section 6056 requires those employers to report to the IRS information about the health care coverage, if any, they offered to full-time employees, in order to administer the employer-shared responsibility

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provisions of Section 4980H of the Code. Section 6056 also requires those employers to furnish related statements to employees that employees may use to determine whether, for each month of the calendar year, they may claim on their individual tax returns a premium tax credit under Section 36B (premium tax credit). The regulations provide for a general reporting method and alternative reporting methods designed to simplify and reduce the cost of reporting for employers subject to the information reporting requirements under Section 6056.

The regulations are effective as of March 10, 2014. For dates of applicability, readers should refer to Sections 301.6056-1(m) and 301.6056-2(b).

The final regulations can be found at: www.gpo.gov

Treasury and IRS Issue Final Regulations on Information Reporting of Minimum Essential Coverage



The Treasury and IRS also released final regulations on March 5, 2014, providing guidance to providers of minimum essential health coverage that are subject to the information reporting requirements of Section 6055 of the Code, enacted by the Affordable Care Act. Health insurance issuers, certain employers, and others that provide minimum essential coverage to individuals must report to the IRS information about the type and period of coverage and furnish the information in statements to covered individuals. These final regulations affect health insurance issuers and carriers, employers, governments, and other persons that provide minimum essential coverage to individuals.

The regulations are effective as of March 10, 2014. For applicability dates, the reader should refer to Sections 1.6055-1(j) and 1.6055-2(b). The regulations can be found at: www.gpo.gov

CMS Issues Final Regulations and Methodology for Basic Health Program



On March 7, 2014, CMS released final regulations and a final methodology establishing the Basic Health Program, as required by the Affordable Care Act. The Basic Health Program provides states with the flexibility to establish a health benefits coverage program for low-income individuals who would otherwise be eligible to purchase coverage through the state Exchanges. The Basic Health Program complements and coordinates with enrollment in a QHP through the Exchanges, as well as with enrollment in Medicaid and the Children’s Health Insurance Program (CHIP). The final regulations, which are effective as of January 1, 2015, set forth a framework for Basic Health Program eligibility and enrollment, benefits, delivery of health care services, transfer of funds to participating states, and federal oversight. The final methodology, which also takes effect on January 1, 2015, provides the methodology and data sources to determine the federal payment amounts made to states in program year 2015 that elect to establish a Basic Health Program.

IRS Provides Instructions for Form 8963, Report of Health Insurer Provider Information

The IRS updated its website on March 4, 2014, to include instructions for Form 8963, Report of Health Insurance Provider Information. This form allows employers to report net premiums written “for health insurance of United States health risks.” The IRS will use this information to calculate the annual fee on health insurance providers as required by the Affordable Care Act. The form must be filed by April 15 for 2013 calendar-year premiums.

The information page for IRS Form 8963 (including links to the form and instructions) is available at www.irs.gov

Employment Law

EEOC To Increase Fines For Employers Failing To Post Notices Starting on April 18, 2014

By James Jones, Esq., Corporate Counsel

Equal Employment Opportunity is
THE LAW

The Equal Employment Opportunity Commission (“EEOC”) recently announced that it will increase the fines to employers who fail to post required notices of federal anti-discrimination law.

Starting on April 18, 2014, the fine will increase from \$110 to \$210 for employers who fail to post required notices for the (1) Title VII of the Civil Rights Act of 1964 (the law prohibiting discrimination based on race, gender, religion, and national origin), (2) the Americans with Disabilities Act (“ADA”) (the law prohibiting disability discrimination) and (3) the Genetic Information Non-Discrimination Act (“GINA”) (the law prohibiting employers from using individual’s genetic information when hiring, firing or promoting). Title VII, ADA and GINA are covered in the EEOC’s “EEO Is Law” poster. All employers covered by these laws (i.e., employers with 15 or more employees and federal contractors and subcontractors) must post the “EEO is the Law” poster.

Grilled Farmers' Market Sandwiches



Farmer's markets are abundant in San Diego and are a sunshine (usually) walking wonder ~ get out there and support our local growers and then treat yourself to some delicious tastes!

- 2 tablespoons olive oil, divided
- 8 (1/2-inch-thick) slices eggplant
- 2 (1/2-inch-thick) slices red onion
- 1 large zucchini, cut lengthwise into 4 pieces
- 2 teaspoons chopped fresh rosemary
- 1/4 teaspoon black pepper
- 1/8 teaspoon salt
- 1 tablespoon white balsamic vinegar
- 4 (2 1/2-ounce) ciabatta bread portions, cut in half horizontally
- Cooking spray
- 4 (1-ounce) slices provolone cheese, halved
- 8 (1/4-inch-thick) slices tomato
- 8 basil leaves

Preparation

1. Preheat grill to medium-high.
2. Brush 1 tablespoon olive oil evenly over both sides of eggplant, onion, and zucchini. Sprinkle with rosemary, pepper, and salt.
3. Combine 1 tablespoon oil and vinegar in a bowl. Brush vinegar mixture over cut sides of bread.
4. Place onion on grill rack coated with cooking spray, and grill for 6 minutes on each side or until tender. Remove from grill, and separate into rings. Grill eggplant and zucchini 4 minutes on each side or until tender. Cut zucchini pieces in half crosswise.

5. Place bread, cut sides down, on grill rack; grill 2 minutes. Remove from grill. Place 1 piece of cheese on bottom halves bread portions; top each serving with 1 eggplant slice, 1 tomato slice, 1 basil leaf, 2 pieces zucchini, one-fourth of onion rings, another eggplant, tomato and basil leaf, 1 piece of cheese, and top half of bread. Place sandwiches on grill rack; grill 2 minutes, covered, or until cheese melts.

Announcements:

Look for an email or join us at the next SDAPA meeting for instructions on how to vote in the upcoming Board Member elections.

Look for an email or information on the San Diego Chapter of the American Payroll Association website (<http://www.sandiegochapterapa.org/scholarships>) regarding this year's Scholarship awards!

Join us at the next Chapter meeting ~ May 15, 2014 Topic will be Affordable Care Act. Information and registration can be found on the SDAPA website. (<http://www.sandiegochapterapa.org/events>)

July 19th is the All Day Law Seminar ~ plan now to attend, it promises to be informative and fun.

SDAPA Board Members:

- * President – Jean Soltmann
- * Vice President – Denise Caballero
- * Secretary – Zoey Green
- * Treasurer – Christine Ness
- * Program Director – Kathrine Williams
- * Membership Director – CeCe Bramlett
- * Philanthropy Chairperson – **Open position**
- * Vendor Relations – Leah Messenger
- * Chapter Coordinator – Ana Dorado
- * Government Liaison – Kaly McKenna
- * Education Coordinator – Wendy Rose
- * Webmaster – Tammy Britt

- * Advisor & Past President – Leah Messenger
- * Advisor & Past President – Suzanne Luciano
- * Auditor – Linda Parise

Email the Chapter if you or someone you know might be interested in joining the team!

SAN DIEGO CHAPTER OF THE AMERICAN PAYROLL ASSOCIATION SPONSORS

The MetLife logo is displayed in a blue, sans-serif font within a light blue rounded rectangular box.The logo for Ultimate Software features the word 'Ultimate' in green with a person icon for the 'i', and 'SOFTWARE' in grey below it.

People first.





We see corporate payments differently.