



## Compliance can be challenging

Compliance can be one of the most challenging things that companies and HR professionals have to deal with. Not only can compliance be very burdensome, but non-compliance can be costly. Whether you are dealing with the DOL, IRS, or OSHA, we have the resources to help you remain compliant. In meeting with prospective clients, we often uncover areas of exposure within the benefit programs that groups are unaware of. Most groups believe that satisfying their compliance requirements during the annual open enrollment process is sufficient. However, that is not the case. Compliance should always remain a priority. Developing a compliance program to fit your needs will allow you to stay on top of potentially costly non-compliant areas and sleep better at night.

## Are you compliant with all the federal benefits laws, rules and regulations?

There are countless rules and regulations regarding your benefit package, primarily centered around government regulations and health care reform. Clarke & Company Benefits strives to educate our clients on these regulations and protect them from any pitfalls or areas of exposure. We have invested in a wide array of tools to help our clients succeed when it comes to compliance. With these tools, we will help you meet your compliance obligations and keep you up-to-date on the laws and regulations that affect your employee benefits program.

Federal Statute	What it Does	Posting and Notice Requirements
<b>Consolidated Omnibus Benefits Reconciliation Act (COBRA)</b>	Requires most group health plans to provide a temporary continuation of group coverage that otherwise would be terminated (employers with over 20 employees).	<b>Posting Requirements:</b> None <b>Notice Requirements:</b> Health plans must provide their covered employees with certain notices explaining their rights. A general notice must go out when enrolled and an election notice must be sent certified when an employee is terminated. We utilize an in-house software for COBRA.

Federal Statute	What it Does	Posting and Notice Requirements
<b>Employee Retirement Income Security Act (ERISA)</b>	Sets a minimum standard for retirement and health benefit plans in private industry in the areas of standards of conduct, fiduciary rules, and reporting requirements to the government and the plan participants. ERISA covers retirement, health, and other welfare benefits.	<p><b>Posting Requirements:</b> None</p> <p><b>Notice requirements:</b> There are several requirements for health plans including, but not limited to: summary plan description (SPD), special enrollment notices, and certificate of credible coverage. Other notices required: COBRA, HIPAA, and WHCRA (there are also notice requirements for retirement plans).</p>
<b>Family and Medical Leave Act (FMLA) of 1993</b>	Entitles eligible employees of covered employers to take unpaid job-protected leave for specific family and medical reasons with continuation of group health insurance (with no changes) *this covers employers with 50 or more employees in 20 or more workweeks in the current year* they must also be in a 75 mile radius.	<p><b>Posting Requirements:</b> All covered employers are required to display and keep on display a poster explaining the provisions of the FMLA and telling employees how to file a complaint with wage and hour division of violations of the act.</p> <p><b>Notice Requirements:</b> Covered employers are required to provide certain notices at different times (general, eligibility, rights and responsibility and designation).</p> <p>We have access to the requirements through our partner Zywave.</p>
<b>Health Insurance Portability and Accountability Act of 1996 (HIPAA)</b>	Provides the portability of employee health care plans and the protection of certain healthcare related information.	<p><b>Posting Requirements:</b> None</p> <p><b>Notice Requirements:</b> Certificates of Credible Coverage.</p> <p>SPDS and SMMS</p>
<b>Medicare Part D</b>	Medicare prescription drug coverage is available to individuals enrolled in Medicare with special rules that apply to beneficiaries who have group coverage.	<p><b>Posting Requirements:</b> None</p> <p><b>Notice Requirements:</b> Creditable coverage notices (sent out prior to October 15<sup>th</sup> every year) and Online disclosures to the centers of Medicaid and Medicare. (done no later than 60 day from the beginning of the new plan year).</p>
<b>Patient Protection and Affordable Care Act (PPACA/2010)</b>	Designed to expand the availability of affordable healthcare coverage to all Americans.	<p><b>Posting Requirements:</b> None</p> <p><b>Notice Requirements:</b> There are numerous notices required we utilize our benefits webpages for these notices.</p>

While some regulations are more complex than others, you must be compliant in all or risk facing fines. For example, common ERISA violations may include: failure to file a complete or correct 5500, with a penalty of \$10 per day to a maximum of \$2,260 per plan year; or failure to respond to a participant's request for information, with a \$110 a day/per plan penalty after 30 days of the request. Health Care Reform (ACA) has severe penalties as well. In the large group segment, you are required to offer coverage, pay a certain amount, and report this information to the government. The penalty for not offering coverage is \$2,260 per employee per year, minus the first 30 employees. Offering a plan that does not meet affordability requirements brings a fine of \$3390 per employee that is enrolled on an individual plan with a subsidy. If you would like more information on which regulations you must follow, please reach out to us.

## Do you have a support system and access to legal guidance?

As the government becomes more involved in employee benefits, it is necessary to have access to legal support and guidance. Employees are your biggest asset but they are also your biggest risk. When you run into a worker's compensation issue, an OSHA regulation, or need advice on an employee termination, who do you go to for answers? At Clarke & Company Benefits, we invest in tools to support our team and our clients. One such tool is called ThinkHr, a web-based platform that is supported by a national law firm. ThinkHR offers our clients:

- High quality human resource support answering questions regarding compliance, documents, and/or employee relation issues
- Nondiscrimination testing for your POP or FSA plan
- Compliant Documents: Handbook, POP, WRAP, and a compliance calendar
- Web-based employee training is offered, with courses ranging from cyber security, sexual harassment prevention, first aid, and customer service
- Compliance Calendar
- Compliance Newsletters

Compliance regarding employee benefits and human resources is crucial to a company's success. As an organization, we pride ourselves being experts in this area and supporting our clients with the knowledge and tools to keep them confident in their compliance.