PATRIOT
GROWTH INSURANCE SERVICES

Webinar Agenda: Open Enrollment

- Introduction
- What is Open Enrollment?
- Employers: Check your Plan Fitness
- Open Enrollment Checklist

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This presentation does not constitute legal advice. Please consult legal counsel for specific guidance on benefit Plan actions based upon facts & circumstances of the inquiry.

What is Open Enrollment (OE)?

Remember OE Opportunities…

- Modify Plan design & documentation
- Educate employees.
- Review employment policies.

In the U.S., *Open Enrollment* is “a time when employees may elect or change benefit options available through their employer: e.g., medical, dental, life, ancillary, and voluntary benefits. Benefits may be a combination of fully paid by the employer; employee-paid via salary deferral or Section 125 Plan; or cost-shared.”

Healthcare.gov:

Open enrollment is a “yearly period from Nov. 1st - Jan. 15th when people may enroll in a Marketplace health insurance plan. Aside from this time, a person may enroll due to a certain life event (marriage, birth, loss of other coverage, or household income change). Medicaid or CHIP enrollment may occur at anytime of year.”

Open Enrollment

Assess Plan Fitness

To: Plan Sponsors & Advisers

10 Health Plan "Fit Checks" to Assess and Explain to Employees

- ❑ Rx Drug Coverage – has it changed? Implemented "step therapy?"
- ❑ Did you change spouse or dependent coverage?
- ❑ Did you change insurers or networks or update agreements?

To: Plan Sponsors & Advisers

10 Health Plan "Fit Checks" to Assess and Explain to Employees

- ❑ Did you add or remove account-based plans to help employees with costs?

- ❑ Did you change TPAs? Update any change on Plan documents.

To: Plan Sponsors & Advisers

10 Health Plan "Fit Checks" to Assess and Explain to Employees

- ❑ Did you alter telehealth services since the end of the pandemic?
- ❑ Did you alter voluntary benefits? (life, dental, vision, tuition assistance, etc.?)
- ❑ Any CAM services added or enhanced? (e.g., chiropractic, physical therapy)

To: Plan Sponsors & Advisers

10 Health Plan "Fit Checks" to Assess and Explain to Employees

- ❑ Wellness program(s): stand-alone or wrapped into medical? Type?

- ❑ Any online tools or apps this season to enhance employee education?

Plan Design

Open Enrollment Checkup

- ❑ Applicable Large Employers (100+): offer at least 1 Plan that satisfies the ACA's affordability standard.
- ❑ Verify HDHPs meet 2024 deductible and Out-of-Pocket (OOP) max limits.
- ❑ Conduct MHPAEA analyses on NQTLs.
- ❑ Communicate Plan design changes with employees.
- ❑ Distribute Required Notices

Plan Design: Affordability & OOP Max for EHB

Open Enrollment Checkup

- ACA's affordability standard; "Play or Pay" Rule
  - 8.39% for 2024.
  - Premium Tax Credit may apply if Plan isn't affordable

- Non - Grandfathered Plans cost sharing for Essential Health Benefits (EHB):
  - $9,450 self-only
  - $18,900 family coverage

Plan Design: Preventive Care

Open Enrollment Checkup

- ❑ Verify NG Plans cover certain preventive health services w/o cost sharing
  - ❑ In-network providers
  - ❑ Immunizations, screenings for infant, children, etc.
  - ❑ Evidence-informed care for women
- ❑ Cover for new items within 1 year after recommendations issued
- ❑ Litigation re: “A” or “B” Services; don’t remove these yet

Plan Design: COVID-19

Open Enrollment Checkup

- COVID-19 Vaccines, Testing, and Treatment
  - Plans not required to cover diagnostic tests & services w/o cost sharing.
  - Must still cover immunizations
    - May limit to in-network providers.
  - After 12/31/24, HDHPs with HSAs no longer permitted to provide testing & treatment w/o first meeting deductible or one below min. limits
  - Best practice: notify participants of changes.

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Plan Design: FSA & HDHPs w/HSAs - Limits

Open Enrollment Checkup

- 2024 health FSA limits not yet released
  - 2023 IRS pre-tax limit $3,050
- IRS Memo: must substantiate properly
  - Review processes (no self-certifying of expenses)
- IRS limits increase eff. Jan. 1, 2024.

HEALTH AND WELFARE PLAN LIMITS (IRS Rev. Proc. 2023 – 23)	2023	Δ	2024
HDHP – Maximum annual out-of-pocket limit (excluding premiums)			
Self-only coverage	$7,500	↑	$8,050
Family coverage	$15,000	↑	$16,100
HDHP – Minimum annual deductible			
Self-only coverage	$1,500	↑	$1,600
Family coverage	$3,000	↑	$3,200
HSA – Annual contribution limit			
Self-only coverage	$3,850	↑	$4,150
Family coverage	$7,750	↑	$8,300
Catch-up contributions (ages 55 and older)	$1,000	=	$1,000
Excepted Benefit HRA			
Annual contribution limit	$1,950	↑	$2,100

Plan Design: Telehealth Option for HDHPs

Open Enrollment Checkup

- Until Jan. 1, 2025, Plans may waive deductibles for any telehealth services w/o losing HSA eligibility
  - **Not required** of Plans – may now apply telehealth towards deductible
- Communicate to EEs in either case.

Open Enrollment

Documents & Notices

Open Enrollment

Documents

- ❑ Administrative Efficiency
- ❑ Employee Education
- ❑ Required Document: Summary of Benefits and Coverage (SBC)
  - ❑ If Self-funded, the Plan Admin. responsible to provide
  - ❑ If insured, verify details and consider distributing

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Documents

- ❑ Summary Plan Description & Summary Material Modifications (SPD/SMM)
  - ❑ Respect timing rules for each
  - ❑ Verify accurate terms and costs for coverage
  - ❑ If design changes, distribute new SPD (SMM if *material* change)

Open Enrollment

Documents

- SPD - must be provided to new participants within 90 days of start of coverage. Must be provided every 5 years if material modifications have been made; if none, every 10 years. SPDs are often referred to as "Wrap Docs" because they *wrap around* insurance booklets and contain Plan data not in COC.

- SMM - provided when there is a material change in Plan terms or regulations require a change. Provide the SMM within 210 days after the close of the Plan year in which the change was adopted. If there is a *material reduction* in Plan benefits or services, the deadline to provide the SMM is within 60 days after adoption of the change. Notify participants ASAP when Plan benefits change. The format of the SMM may be varied.

Open Enrollment

Notices

- Plan Notices
  - Women's Health (WHCRA)
  - Children’s Health (CHIP by state)
  - Notice Patient Protection against Surprise Billing
  - Grandfathered plan
  - Wellness Program (HIPAA & ADA)
  - HIPAA Special Enrollment Rights (w/in SPD)
  - COBRA (w/in SPD)
  - Notice of Privacy Practices (3-year guideline)
    - Insured with PHI access “for Plan functions” v. no access to PHI
    - Self-funded

Open Enrollment

Notices

- ❑ Medicare Part D Notice (by Oct. 15)
- ❑ Summary Annual Report (SAR)
  - ❑ Narrative form of Form 5500: w/in 9 months of close of Plan year*
- ❑ ICHRA – 90 days before Plan year beginning
- ❑ QSEHRA -- 90 days before Plan year beginning

Thank you!

Please contact Olivia or your adviser with questions.