

Benefit Services Incorporated

Benefit News

A leader in Group Insurance & Employee Benefits for 30 years

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New Fair Share Contribution Requirements

Under Massachusetts health care reform, employers with 11 or more full-time employees are required to make a “fair and reasonable” contribution toward the cost of their employees’ health insurance premium or pay a “fair share” assessment to the state.

The Massachusetts Division of Health Care Finance and Policy (DHCFP) has recently announced the adoption of revisions to the Fair Share Contribution regulation effective October 1, 2009. Some of the clarifications are:

- ◆ A Contributing Employer must maintain documentation about its group health plan and premium contributions including: **a written plan description** containing a description of benefits, **eligibility requirements** and the amount of the **employer contribution**; evidence that the plan was in place during the quarter being reported; copies of **employee handbooks** or other written communication to employees about the plan including plan benefits, eligibility requirements and employer contributions.
- ◆ The rule for determining the percentage of Full-Time Employees (FTEs) has changed. The employer should now calculate the percentage by dividing the number of FTEs enrolled in the plan at the end of the quarter with the number of FTEs on the payroll at the end of the quarter. This replaces the former “majority of the time” rule for determining full-time employees.

You can read the regulation in its entirety on the DHCFP page at

<http://www.mass.gov/>



IRS Cost of Living Increases for 2010

	2009	2010
401(k) Plan Deferrals	\$16,500	\$16,500
401(k) Plan Catch Up	\$5,500	\$5,500
Defined Contribution Limit	\$49,000	\$49,000
Includable Compensation	\$245,000	\$245,000
Social Security Taxable Wage	\$106,800	\$106,800
Key Employee	\$160,000	\$160,000
Highly Compensated Employee	\$110,000	\$110,000
Transit/Van Pooling/ Qualified Parking	\$230	\$230
HSA Contribution Limits	\$3,000 Individual/ \$5,950 Family	\$3,050 Individual/\$6,150 Family
High Deductible Health Plan minimums	\$1,150/\$2,300	\$1,200/\$2,400

The limits on the vast majority of plans have remained the same from 2009 with the only increases being in the HSA/HDHP area.

EMPLOYEE ASSISTANCE PROGRAMS

Employee assistance programs offer a wealth of resources to employees dealing with such issues as work-life balance, child and elder care, financial planning and grief counseling. By establishing an EAP, you can save your employees a lot of the time they would otherwise have spent researching the information themselves—and that in turn saves your company by keeping employees more focused on their jobs.

One such assistance program is offered by ESI. On their employee website, ESI maintains a library of problem-solving resources, articles, tools and assessments on a variety of topics. You can visit the Caregiver Center to find help providing for an ill family member, or check out the Wellness Center, or read the Pet Blog on the Pet Resource Benefit page.

If you would like to learn more about ESI or employee assistance programs in general, please call BSI and we will be happy to discuss your options.



MICHELLE'S LAW

Michelle's Law went into effect on October 9, 2009. This federal law provides for a continuation of coverage for dependents who are on medically necessary leave of absence from a college or university when they would otherwise lose coverage because they are not enrolled as a full-time student.

This leave of absence must be medically necessary and must begin while the dependent is suffering from a serious illness or injury and would otherwise lose coverage. The student must have been enrolled in the plan prior to the first day of the leave. Written certification from the dependent's attending physician is required. The law extends coverage for up to a year.

Massachusetts already has a law that provides coverage for such cases; Michelle's Law therefore has little direct impact on Massachusetts businesses. Businesses with national offices should contact their carriers if there are questions concerning implementation of the law.

ARRA COBRA Update

In a survey conducted by Hewitt Associates, an international human resource consulting firm, enrollment in the temporary federal health insurance subsidy program established by the American Recovery and Reinvestment Act of 2009 has doubled from 19% in March 2009 to 38% in June. More than 14 million workers are qualified to apply for the COBRA subsidy, slated to end on December 31, 2009. No word yet on whether that deadline will be extended.

8 Ways You Can Stay Healthy at Work

You can protect yourself and others by following these key action steps.

1. **Maintain a healthy lifestyle**
2. **Wash your hands frequently**
3. **Avoid touching your nose, mouth, and eyes.**
4. **Cover your coughs and sneezes with a tissue**
5. **Keep frequently touched common surfaces clean**
6. **Do not use other workers' phones, desks, offices, or other work tools and equipment.**
7. **Don't spread the flu! If you are sick with flu-like illness, stay home.**





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