



Human Resources Weekly Digest

Agencies Issue FAQs Clarifying Applicability of Updated 2021 SBC Template and Related Materials

"The first FAQ reiterates that the 2021 versions of the SBC template, instructions, coverage example guide and narratives, and optional coverage examples calculator must be used beginning with the first day of the first open enrollment period for any plan year beginning on or after January 1, 2021, with respect to coverage for plan years beginning on or after that date. The second FAQ clarifies that the coverage examples calculator is not required to be used. Separately, the agencies announced that the 2021 versions of the SBC materials have been reposted to correct 'minor errors' identified in several documents, including the template." [Full Article](#)

Thomson Reuters / EBIA



New Lawsuits Challenge Abortion Policy, Advisory Opinion on Association Health Plan

"On January 30, 2020, seven Democratic attorneys general, led by California, challenged parts of a recent final rule to require separate transactions for abortion coverage. In a far less straightforward case, two businesses known as Data Marketing Partnership and LP Management Services sued the DOL over their status as a single-employer self-insured group health plan under ERISA. The lawsuit stems from a request from LP Management Services -- a Georgia-based data-sharing partnership -- for an advisory opinion on its status under ERISA." [Full Article](#)

Katie Keith, in Health Affairs

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By, Health Care Cost Institute

2018 Health Care Cost and Utilization Report

“Between 2014 and 2018, per-person spending grew at an average annual rate of 4.3%, climbing to \$5,892. That rise outpaced growth in per-capita GDP, which increased at an average rate of 3.4% over the same period. Data from Massachusetts shows that for those with commercial insurance the percentage of gross pharmacy spending accounted for by rebates grew from 6.5% in 2014 to 15.6% in 2018. Applying these figures to our data, we find that spending per person declined from an average annual rate of 4.3% to an average annual rate of 3.8% between 2014 and 2018.” [Full Article](#)

Health Care Cost Institute

IRS Tax Tip 2020-21: Taxpayers Must Reconcile Marketplace Advance Payments and File Form 8962

“Failing to file Form 8962, Premium Tax Credit, to reconcile 2019 advance payments of the premium tax credit may affect return processing, and delay the taxpayer's refund. It may also affect their ability to get advance payments of the premium tax credit or cost-sharing reductions. Taxpayers who don't file and reconcile their 2019 advance credit payments may not be eligible for advance payments of the premium tax credit in the future.” [Full Article](#)

Internal Revenue Service

Failure to Provide ERISA-Required Plan Document to Participant Costs Plan Sponsor \$41,000

“This wrongdoing in this case continued when the plan participant, after discovering her claims would not be paid, requested a copy of the plan documents. She wanted to be able to review the documents to determine how to appeal and what rights she had under the plan. The plan sponsor failed to provide plan documents. In order to remedy the situation, the plan participant chose to sue her employer in order to cover her medical costs. During discovery, the requested plan documents were finally provided, several years late.” [Full Article](#)

Hall Benefits Law

Form 8962	Premium Tax Credit (PTC)	OMB No. 1545-0074
Department of the Treasury Internal Revenue Service	► Attach to Form 1040, 1040-SR, or 1040-NR. ► Go to www.irs.gov/Form8962 for instructions and the latest information.	2019 Attachment Sequence No. 73
Name shown on your return	Your social security number	
You cannot take the PTC if your filing status is married filing separately unless you qualify for an exception (see instructions). If you qualify, check the box <input type="checkbox"/>		
Part I Annual and Monthly Contribution Amount		
1 Tax family size. Enter your tax family size (see instructions)		1
2a Modified AGI. Enter your modified AGI (see instructions)	2a	
b Enter the total of your dependents' modified AGI (see instructions)	2b	
3 Household income. Add the amounts on lines 2a and 2b (see instructions)		3
4 Federal poverty line. Enter the federal poverty line amount from Table 1-1, 1-2, or 1-3 (see instructions). Check the		

Status of the State Individual Health Insurance Coverage Mandates

“Here is a summary from each state that has passed individual mandates and their reporting requirements: 1). California; 2). District of Columbia; 3).Massachusetts; 4). New Jersey; 5). Rhode Island; and 6). Vermont. There are five additional states considering individual mandates: Connecticut, Hawaii, Maryland, Minnesota and Washington.” [Full Article](#)

International Foundation of Employee Benefit Plans [IFEBP]

Engaging and Monitoring Health Plan TPAs: Understanding Your Fiduciary Obligations

“The DOL has recently shown a heightened interest in investigating health plans governed by ERISA for compliance. ERISA fee litigation is also shifting into the health plan arena, and the investigation of self-funded health benefit plans and the fees charged by the TPAs servicing them is one of the focus areas. Plan fiduciaries have a duty to understand and monitor the fees collected by TPAs. TPAs that assume fiduciary functions through administrative services agreements (ASAs) with self-funded health plans have an obligation to be transparent about the fees they collect from the plan.” [Full Article](#)

International Foundation of Employee Benefit Plans