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ATHENS INSURANCE



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Newsletter

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ACA REPORTING CHANGES FOR 2016

- **Employers with 50-99 employees are subject to penalties beginning January 1, 2016 (100 employees or more still subject)**
 - They must track hours of part-time, seasonal and variable hour employees
 - They must establish determination periods of monthly or look-back periods
 - **Must disclose determination periods in ERISA Summary Plan Descriptions (SPDs)**
- Penalty amounts increased from \$2000 to \$2080 for failure to provide MEC. Penalty for failure to provide affordable and minimum value health coverage increased from \$3000 to \$3240.
- Lowest cost employee coverage increased to 9.66% or less of household income to meet affordable coverage rule
 - Lowest cost employee-only coverage can be affected by the following:
 - Cafeteria plan employer contributions could lower employer required contribution level for affordability rule
 - HRA funding newly made available can lower contribution affordability if HRA is employer sponsored group health plan coverage
- **Notice of Exchange (1411 Certification) to employer began January 1, 2016**
 - Section 1411 Certification is the certification to an employer that an employee has enrolled in a qualified health plan through the Exchange and been provided a subsidy