

**Affordable Care Act (ACA) 2014 Compliance Plan Webinar Series
Session #2**

**ACA's Biggest Challenge:
Employee Eligibility Verification**

Presenter:

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February 20, 2014

Pioneering Specialists in Group Health Care

Post-Payment Administration

For Over 25 Years

Customer Philosophy:

Respect for Existing Procedures

Emphasis on Customization

FOCUS on Solutions

FOCUS

Non-grandfathered, calendar year plans.

“Blue Collar” Compliance.
Delays and technical intricacies no excuse.

Comply not just because you have to.
Comply in a way that helps your plan.

2014 ACA Series

Month	Current Focus	2014 ACA Plan Webinar Series
January	Prior Year Close-out	1/30: ACA is here. Are you ready? What you should have done and in place now.
February		2/20: ACA's Biggest Challenge: Employee Eligibility Verification. Opportunity for savings and employee engagement.
March		3/20: ACA Taxes and Dependent Verification How much. How to minimize. How to manage.
April		4/17: ACA Cost Sharing (Preventive Care and OOP Maximum) Ticking time-bomb of liability.

Quick Review

What you should have done.

- Reporting to employees
 - W-2 plan values
 - Summary of Benefits and Coverage (SBC)
 - Exchange Notices
- Benefits
 - Selected Essential Health Benefits
 - No cost sharing for federal preventive care benefits
 - No pre-existing conditions
 - No lifetime maximums
 - Dependents covered until 26
 - Clinical trial coverage
- Safe Harbors
 - Minimum Value Safe Harbor
 - Affordability Safe Harbor
- New Out-of-Pocket rules implemented

ACA Compliance

Self-Assessment Tool

available now.

Call 734-451-2230
Ask for Leslie.

E-mail

leslie@healthdecisions.com

Quick Review

What You Should Have in Place.

**Start
NOW**

- **Compile Needed Data Files**
 - **Payroll Data (with history)**
 - **Enrollment Rosters (with history)**
 - **Paid Claims (transactions not summaries)**
- **Assess Data files for accuracy and use**

**Complete
First
Quarter**

- **Reconcile payroll facts with enrollment facts**
 - **Expect major inconsistencies**
 - **Expect ineligibles**
 - **Expect late terminations**
- **Survey all employees**
 - **Verify dependent eligibility for two ACA taxes in 2014**
 - **Collect SSN for ALL employees, retirees, and family members**
 - **Two-way communication (authorizations & “good faith” efforts)**
- **Confirm cost sharing controls**
 - **Preventive Services Zero cost sharing**
 - **Out-of-pocket maximum limits**

“W-2” For Health Coverage

ACA requires employers to include in annual IRS filings:

- The health coverage status of all employees:
 - those with and without health coverage;
 - those eligible and not eligible.
 - By coverage type (single, two-person, family)
- With month-by-month accounting.
- Sent via electronic rosters meeting IRS technical specifications.
- AND reports to each employee confirming what was sent about them.

2016 reports account for
2015

2014 testing best preparation for
2015 accounting

ACA “Have To”

The IRS will

- Compare these rosters to rosters from the new State Health Exchanges.
- Use these rosters to enforce
 - Individual subsidies and
 - Employer “shared responsibility”

Employers not complying face possible penalties and fines.

- ACA
- IRS

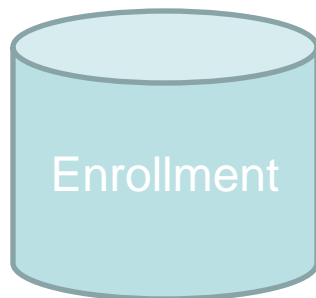
Reality of Employee Eligibility Verification

There is no one place employers can go to get all the required information.

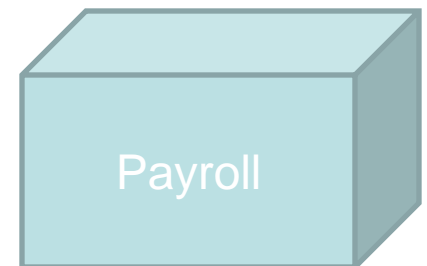
Employers have to piece together a reporting puzzle.

- Payroll system vendors have pieces of the puzzle.
- Group health plan administrators have pieces of the puzzle.
- Enrollment maintenance and COBRA vendors have pieces of the puzzle.
- Some puzzle pieces may be missing.

Puzzle pieces will not fit together easily.



No common ID
Input errors
Different codes
Missing data
No history
Incompatible systems
Incompatible layouts
...
We've seen it all and it "ain't" pretty.



ACA “Help Your Plan”

Savings	What the Payroll/Enrollment Match Reveals
Excess Administrative Fees	Phantoms (Type 1): Employees enrolled beyond termination date.
Excess Insurance Premiums	Phantoms (Type 2): Unknown persons enrolled in one or more plans.
Excess Stop-loss Premiums	Errors: Employees enrolled who are ineligible.
Duplicate Payments and Fees	Duplicates: Employees enrolled in multiple plans.
Claims Paid After Termination	Wrong Tier (Type 1): Single enrollees in non-single coverage categories.
Claims Paid During Coverage Lapses	Wrong Tier (Type 2): Two-person coverage enrolled as family.
Claims Paid for Ineligibles	COBRA: COBRA enrollees not COBRA eligible.

Not “whether” but “how much”.

This Month's "To Do" List

Payroll and Enrollment: Combination/Reconciliation

- **Start now** to be ready to confirm what you can do.
- **Start now** to have time to fix what needs fixing.
- **Start now** to be ready 1/2015 and avoid penalties.
- **Start now** to get savings now.

For More Information Contact

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