Agenda

- Cost Saving Strategies
  - Medicare
  - Group HRA's
  - Level Funding
- Compliance Surrounding Returning to the Office
  - FFCRA
  - Updating your employee handbook
- HR and Benefit Administration Technology
  - Online enrollment
  - Onboarding
  - Recruiting
  - HR
  - Employee training
  - Performance Management
Medicare

Solutions for Your Business & Your Employees

Claims and Demographics affect group medical insurance costs. With a Medicare program in place architects and employees can choose between group plans and individual Medicare programs to reduce costs to the employer plan. My Benefit Advisor can implement and administer a Medicare program for you to assist employees in making the right decisions regarding Medicare.

<table>
<thead>
<tr>
<th>Who Does MBA Help with Medicare Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Individuals Eligible for Medicare including Members, Employees and Parents of Members and Employees</td>
</tr>
<tr>
<td>2. Groups Less than 20 Employees - Medicare is Primary</td>
</tr>
<tr>
<td>3. Groups with Greater than 20 Employees - Group Plans are Primary</td>
</tr>
<tr>
<td>4. Retiree’s</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>How MBA Helps Business with Medicare Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Education on buying coverage through employer or Medicare</td>
</tr>
<tr>
<td>2. Shop among carriers to find the plan that fits the specific needs of our client(s)</td>
</tr>
<tr>
<td>3. MBA works with you and/or your employees to complete the paperwork correctly and on time</td>
</tr>
</tbody>
</table>

For more information, visit [www.mybenefitadvisor.com/medicare/](http://www.mybenefitadvisor.com/medicare/)
Health Reimbursement Accounts (HRAs)

• **Health Reimbursement Accounts** can be designed to reimburse a variety of expenses including any out-of-pocket medical expense that meets the Internal Revenue Code Section 213 definition of medical care, such as co-pays, deductibles, and medical expenses that are not covered by your major medical plan. Unreimbursed dental and vision expenses can also be paid through an HRA. Usage averages approx. 30%.

• **Employer Cost Savings** - The main reason to utilize a Health Reimbursement Account is to allow you to select a less costly medical insurance plan while protecting your employees from paying for large out of pocket expense amounts. In addition, all employer contributions to the plan are 100% tax deductible.

• **Tax Advantages for Employees** - HRA funds used to pay for eligible expenses for employees are done so on a *pre-tax basis*; therefore, the funds are not taxable to the employee. There is no need to claim income tax deductions for any expenses reimbursed under the HRA.
Health Reimbursement Accounts (HRAs)

In this model, insurance premium is reduced by selecting a plan with higher copays and/or deductibles. The gap in coverage is closed with a Health Reimbursement Account, consisting of a combination of employer funds and employee out-of-pocket expense.

The expectation is that the reduction in premium is greater than the actual cost of covering the gap, resulting in cost savings.

*Can vary higher or lower based on total utilization of plan as well as size of group.

**Financial Illustration (25-Life Group)**

- Traditional Fully-Insured Premium: $300,000

- High Deductible Plan Premium + Employer Contribution to HRA ($250,000 + $30,000): $280,000

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**Financial Impact:** Potential Savings of $20,000; likely higher as usage averages 30%
Level Funded Programs

• Level funding is an innovative self-funding solution. It combines financial predictability along with control and claims information, with an opportunity to benefit from a favorable claims year.

• Level funding creates a conservative approach to funding your medical insurance plan compared to a self-funded option.

• Fully insured programs collect projected premiums and do not provide claims data giving level funded plans a cost controlling advantage.

• Level funded plans charge a fully insured premium, share claims information, and return a portion of the unused claims pool.

• Level funded plans avoid certain ACA taxes and fees.

• Level funding works best for firms with between 15 and 100 employees.
Level Funded Programs

MBA Partnership with UnitedHealthcare & Aetna

Level Funding

• Applies to group sizes 2-100
• Savings for group sizes 2-50 can be 8-16%+ compared to ACA Products
• Surplus refund available each year to employer for unused claim $

Exclusive Discount through AIA Phila.

• You must be a member of AIA Philadelphia
• You must utilize My Benefit Advisor as your Broker

Financial Impact: 2% Discount on Final Rates
Case Study
Level Funding with MBA

Client Profile

Client: Architecture Firm
Location: Southeast Pennsylvania
Employees: 25

Coverage: Medical
Insurance Carrier: UnitedHealthcare

Issue

Client was facing an 8% premium increase to $187,500 for their fully-insured coverage and wanted to reduce costs but remain with their current carrier.

Solution

Level Funded Proposal

10% Decrease from Current = 155,250, $17,500 Decrease

Additional 2% Discount = $1,550

Final Cost: $153,700

Financial Impact

Net Savings: $33,800

- Initial Renewal Cost ($187,500) - Final New Premium ($153,700)
- 18% Decrease from Renewal: Savings Split Between Employer & Employees
Families First Coronavirus Response Act – FFCRA

Part I: Emergency Paid Sick Leave

Coverage

• All private employers with fewer than 500 employees
• All employees, no matter how long employed    Health care providers or emergency responders can be excluded
• Interaction with other paid time off benefits
• This benefit is in addition to any other PTO or sick leave offered. Employees cannot be required to use other benefits first and employers cannot reduce their benefits in response to the Act.

Use

Employees may use leave when they are unable to work or telework because:

1. The individual employee is subject to a federal, state, or local quarantine or isolation order (does not apply during a furlough, layoff, or business closure)

2. They are advised by health care provider to self-quarantine because the provider believes the employee may have COVID-19 or is particularly vulnerable to COVID-19.

3. They are seeking medical diagnosis for symptoms of COVID-19

4. An individual who qualifies under #1 or #2 requires their care

5. A child whose school or childcare provider is closed or unavailable; this includes nannies, au pairs, babysitters, grandparents, aunts, uncles, or neighbors (anyone who regularly provides care)

6. They are experiencing other substantially similar condition as defined by the Secretary of HHS in consultation with the Secretary of the Treasury and the Secretary of Labor
Families First Coronavirus Response Act – FFCRA

Part I: Emergency Paid Sick Leave (cont’d)

Duration and Pay

• Full time employees (40+ hours per week) get 80 hours
• Part time employees (less than 40 hours per week) get the number of hours worked on average over a 2-week period
• Can be taken intermittently for childcare purposes if employer agrees
• Can be taken intermittently for illness-related reasons only if teleworking and employer agrees

Maximums

• Cap of $511 per day and $5,110 total for uses 1, 2, and 3, up to 100% of regular pay
• Cap of $200 per day and $2,000 total for uses 4, 5, and 6, up to 2/3 of regular pay
Families First Coronavirus Response Act – FFCRA

Part II: Emergency FMLA Childcare Expansion

Coverage
• Applies to all employers with fewer than 500 employees
• Applies to all employees who have worked at least 30 days for the employer
• Health care providers or emergency responders may be excluded

Uses
• If an employee is unable to work or telework because they will be the only caregiver for a child under 15 (unless special circumstances apply).

Duration and Pay
• Up to 12 weeks (like regular FMLA) First 10 days are unpaid, but employees may use any other leave they have available during the first 10 days, including EPSL.
• After 10 days, cap of $200 per day (up to 2/3 of their regular pay) and $10,000 total
• Can be used intermittently if employer agrees

Interaction with other paid time off benefits
• Once the 10 unpaid days are over, employers can require an employee to use up any available paid time off, such as vacation or personal time (but not sick leave) and can claim a $200 or 2/3 credit against it (whichever is smaller). Once the employee runs out of paid time off, the employer must continue to pay $200 or 2/3 until EFMLA ends.

See the DOL’s “Questions and Answers” for details – guidance is updated regularly.
Families First Coronavirus Response Act – FFCRA

Documentation to Claim Tax Credit on FFCRA Paid Provisions

An employer will substantiate eligibility if it receives a written request in which the employee provides:

• The employee’s name;
• The date or dates for which leave is requested;
• A statement of the reason the employee is requesting leave; and
• A statement that the employee is unable to work, including by means of telework, for such reason.

For a quarantine order or self-quarantine advice, the statement should include the name of the governmental entity ordering quarantine or the name of the health care professional advising self-quarantine, and, if caring for someone else, that person’s name and relation to the employee.

For school closing or child care provider unavailability, the statement should include the name and age of the child (or children), name of the school or place of care, and a representation that no other person will be providing care for the child during the period for which the employee is receiving FMLA.

You cannot ask for more information than this. You cannot request or require a doctor’s note!
Updating Your Employee Handbook

• Formalize Policies, and include temporary changes -
  • Even if some of the new policies are temporary in nature, it's still a good idea to update your written employee guidelines in the short term so that employees are aware of their rights and expectations.

• Leave and Paid Time Off Policies –
  • The Families First Coronavirus Response Act (FFCRA), which went into effect on April 1 and is set to expire on Dec. 31. This paid time off is 100% recoverable through payroll tax credits for employers.

• Requests for Accommodations –
  • The U.S. Equal Opportunity Employment Commission (EEOC) issued guidance for employers on handling requests for accommodations related to the novel coronavirus.

• Telecommuting Policies –
  • It is possible that you already had a telecommuting or work from home policy in place, but this should be updated in your handbook.

• Health and Safety Specific to COVID-19 –
  • Staying six feet apart, wearing masks, and abiding by all local, state, and federal regulations. Reporting if an employee is sick, or has tested for COVID, let other employees know if an employee has been exposed or tested positive, requiring temperature checks.

• Communicating your new policies to the employees –
  • Employees need a true and clear understanding of policies and procedures. Communication is key to making your return program successful.
HR and Benefit Administration Technology

Streamline your benefits administration with a technology platform

- Recruiting and Applicant Tracking -
  - All candidates in one database keeping names, next steps, action items, and filtering through categories of your candidates.

- Onboarding –
  - Deliver new employees a seamless, integrated and educational onboarding experience. Including training schedules, all IRS and DOL forms, and benefits in one package, with visibility to HR and all managers assigned to the new hire.

- Online open enrollment –
  - Manage all benefits election information in one paperless solution. Employee enrollments that feed direct to insurance carriers, track ACA compliance, automated process, track eligibility, cost trends, payroll feeds.

- Human Resources –
  - Reporting and analytics to keep all information from payroll, benefits, retirement, deductions, ACA reporting, performance management in one system.

- Employee Training –
  - Maximizing learning and training, reaching employees virtually, organize manage and track training.

- Performance Management –
  - Performance management solutions that focus employees on continuous improvement, facilitates conversation between staff and managers, and points individuals in the direction that benefits the entire organization.
Benefit Enhancements for Members

- Association Discounts
  - Exclusive 2% discount with Aetna & United Healthcare

- Benefit Service Center
  - Employee Benefit Questions & Claim Issues

- Think HR
  - Live HR Support, Living Handbook, Training Modules, and Research Center

- Online Enrollment Resources
  - Benefix, Employee Navigator

- College Resources
  - Tuition Credits and Loan Repayment

- Compliance Assistance
  - Annual Notices, Compliance Bulletins, & Podcasts

- Employee Communication Tools
  - Benefit Guidebooks & Open Enrollment Videos

- COVID-19 Resource Center
  - FAQ’s, Carrier Updates & More

- MetLife Dental & Vision
  - Exclusive plans and rates

- Medicare Resources
  - Education and Enrollment
Questions?

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