

Benefits Buzz

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DID YOU KNOW?

On April 23, the Internal Revenue Service announced new 2015 limits for health savings accounts (HSAs).

For 2015, the annual HSA contribution limit for an individual with self-only coverage under a high deductible health plan (HDHP) will be **\$3,350**, while contribution limits under a family HDHP will be **\$6,650**.

The maximum out-of-pocket expense limit for self-only HDHP coverage for 2015 will be **\$6,450**, while family HDHP coverage for 2015 will be **\$12,900**.

For 2015, the deductibles under a HDHP must be at least **\$1,300** for self-only coverage and **\$2,600** for family coverage.

COBRA and Exchange Rules Clarified

The Consolidated Omnibus Budget Reconciliation Act (COBRA) requires covered employers to provide employees and dependents who lose group health benefits with an opportunity to continue their coverage. Individuals who are eligible for health coverage under COBRA are known as “qualified beneficiaries.”

Since Jan. 1, 2014, the health insurance Exchanges established under the Affordable Care Act (ACA) have become an alternative for uninsured individuals seeking health coverage outside of group health plans.

Recently, the Departments of Labor (DOL) and Health and Human Services (HHS) released guidance addressing the impact of COBRA coverage on eligibility for coverage and subsidies through an Exchange.

On April 21, 2014, HHS issued a list of [Frequently Asked Questions](#) (FAQ) clarifying the situations in which a COBRA qualified beneficiary may enroll in a

qualified health plan (QHP) through an Exchange and receive subsidies. In general, individuals can voluntarily drop COBRA coverage and enroll in a QHP (and possibly qualify for a subsidy) only during the Exchange’s open enrollment period. Otherwise, they must wait until COBRA coverage expires.

However, on May 2, 2014, HHS issued a [bulletin](#) providing an Exchange special enrollment period for certain individuals eligible for or enrolled in COBRA. HHS deemed this necessary because the model COBRA notices may not have provided sufficient information about Exchange options and enrollment periods.

Under this special enrollment period, COBRA qualified beneficiaries may enroll in a QHP through a federal Exchange through July 1, 2014.

State-based Exchanges are encouraged, but not required, to adopt similar special enrollment periods.

New COBRA and CHIPRA Model Notices

In May 2014, the Department of Labor (DOL) released new model notices to help employers comply with COBRA and the Children’s Health Insurance Program Reauthorization Act of 2009 (CHIPRA).

For COBRA, the DOL released updated versions of the [model general notice](#) and [model election notice](#). The DOL also issued [proposed regulations](#), which would update the existing COBRA notice rules, and a list of [Frequently Asked Questions](#) (FAQ) related to the proposed changes to the model notices.

These updates are intended to reflect that the Affordable Care Act’s health insurance Exchanges, or Marketplaces, are now open.

The CHIPRA [model notice](#) was also updated to include information on the availability of the Exchanges.