

Benefits Buzz

Benefits and HR tips brought to you by the insurance professionals at Brown & Brown Benefit Advisors.

DID YOU KNOW?

On Feb. 10, 2011, the IRS announced that breast pumps and lactation supplies will now be eligible medical expenses for reimbursement from HSAs, FSAs and HRAs. They will not need a prescription or note from a doctor in order to qualify as reimbursable.

This is a reversal from the IRS's previous position regarding breast pumps and medical spending accounts.



Will Congress Repeal Health Care Reform?

Controversy has surrounded the health care reform legislation since it was signed into law on March 23, 2010. This debate entered Congress once again when Republicans took control of the House of Representatives in November 2010.

As promised, House Republicans attempted to repeal the law. Thus far, these efforts have not been successful, due to a Democrat-controlled Senate and the promise of a veto by President Obama.

However, because full repeal of the law would be difficult, Republicans have indicated that they will try to replace or repeal parts of the law instead. Provisions that may be revised or repealed include:

- The requirement for businesses to report payments in excess of \$600 on a Form 1099. (This is already being discussed, as the U.S. Senate recently approved a bill to repeal this measure and the House has similar bills proposed.)
- The provisions in which employers can face penalties for not providing health coverage to employees

- The individual responsibility requirement, which imposes penalties on individuals who do not obtain coverage
- The Cadillac Plan tax on high-cost, employer-sponsored health plans
- The tax on manufacturers of medical devices
- Cuts to Medicare

At this point, it is uncertain what will happen with the health care reform law. Though there may be changes, it may also remain intact. Therefore, employers should make sure they are implementing the requirements as they become effective, until more is known about potential changes.

Brown & Brown Benefit Advisors will continue to update you if there are more developments related to health care reform.

Sharp Rise in Audits for Illegal Alien Hiring Practices

Among the many employment laws that companies must follow is the Immigration Reform and Control Act (IRCA), which prohibits employers from hiring illegal aliens and imposes strict penalties on those who do. One of the primary responsibilities associated with this law is verifying employee citizenship status through the filing of the I-9 Form.

The federal government can audit any company and require it to provide I-9 documents for examination. Failure to do so or a finding of noncompliance with the law can result in penalties ranging from \$110 to several thousand dollars. Recently, U.S. Immigration and Customs Enforcement has greatly increased the number of these audits across the country, as many lawmakers push for tougher immigration enforcement.

It is important that you understand the rules of this law, maintain all necessary forms and conduct internal audits to make sure you are prepared in case of an audit. For more information, visit www.uscis.gov.