

August 2013 Newsletter

August Meeting

Wednesday,
August 14th

Garden Plaza Inn

\$12.00

11:30am — 1:00pm

Networking will begin at 11:30 a.m. and the program will start at noon. We will eat from the buffet.

For reservations,
contact

Amy Smith at
Amy.Smith@delmonte.com
or 256-552-7470

We want to make
sure we have
plenty of room
for everyone.

Please RSVP by noon
Tuesday,
August 13th.



August Meeting

Wednesday, August 14th



Our speaker: **Melissa Hambrick Jackson** with The
Enrichment Center Group

Topic:

**"Make A Difference - Personality Descriptions"*



Melissa Hambrick Jackson is a skilled business leader, executive coach, and motivational trailblazer. She serves as the principal business partner and COO of The Enrichment Center Group. In her position, she works with leaders around the world to develop effective strategies for group leadership and individual success. She gets results through emphasizing the power of relationship, the strength of consistency, and the belief in bringing the best out in people. As a skilled speaker and facilitator, she has the ability to connect leaders to those they lead.

**HRCI Credits have been submitted and are pending approval*

Thanks to our August Meeting Sponsors—



Decatur-Morgan County, Alabama
CHAMBER of COMMERCE



MORGAN COUNTY, ALABAMA
ECONOMIC DEVELOPMENT ASSOCIATION

Legal Matters

Courtesy of Lehr, Middlebrooks and Vreeland, P.C.

ACA Employer Mandate Delayed, Employer Action Still Necessary

By now every employer not closed for the summer has heard about the July 2 announcement from the Treasury Department delaying the effective dates for the Affordable Care Act's ("ACA") employer mandate, in addition to two key reporting requirements under the Act. These provisions were originally scheduled to take effect on January 1, 2014, but now will not be effective until 2015. Most media reports on the delay have neglected to explain exactly what this means for employers. In fact, the vast majority of ACA remains in effect and requires prompt employer action now.

In the July 2 announcement, Treasury said it would publish transition relief guidance describing the delay and what it means for employers. Although Treasury published the transition relief guidance as promised, the document addresses very little transition (besides the additional 12 months to comply) with very little guidance or relief for employers. In essence, IRS Notice 2013-45, a simple three-page document, does little more than restate the original announcement that Treasury would delay enforcement of the employer mandate (and certain related information reporting requirements) until 2015.

As welcome as the employer mandate delay is, the lack of specific guidance from IRS raises another set of troubling issues. Much of the prior Treasury guidance on employer mandate compliance announced safe harbor processes and procedures intended to help employers crunch 2013 data in order to understand 2014 obligations. With that deadline extended to 2015, we would expect those safe harbors to be just as useful to employers who choose to use 2014 data in order to understand 2015 obligations, but Treasury has not yet said so.

In its transition relief guidance, Treasury did, however, state that employers are "encouraged to voluntarily comply" with the information reporting provisions (once the information reporting rules have been issued) and "to maintain or expand health coverage in 2014." There will be no penalties for failing to do so, however.

Even though employers now have an extra year to prepare for the employer mandate and associated reporting requirements, employers should continue their course of action for making the necessary ACA preparations (whatever that course may be). Some employers have already taken steps, such as changing job classifications and eligibility provisions, and were on pace to comply with ACA terms. These employers should use 2014 as an opportunity to fine tune their data collection and reporting systems, as well as to further analyze their full-time employee population and the effectiveness of their compliance strategies before penalties can be imposed for mistakes.

Other employers have not begun their employer mandate preparations and have now been given a reprieve from their delayed ACA compliance efforts. These employers now have the opportunity to reconsider compliance strategies and implement the necessary changes without suffering penalties.

Most employers, however, fall somewhere in the middle of these two extremes. These employers should also continue to evaluate their compliance strategies and, among others, should consider issues such as (1) the plan changes they have already announced (2) whether any changes can be rolled back or put on hold without causing issues with employees' coverage options (3) the costs that are involved (4) the benefits of using 2014 as a "trial run."

Regardless of the stage of preparation or the voluntary compliance strategy an employer chooses, employers must still prepare to address employee concerns about their need to have health coverage and their options for coverage-both from their employer and exchanges. More importantly, employers must still comply with the ACA obligations that have not been affected by the employer mandate delay.

These include:

- New group health plan requirements taking effect for 2014 plan years, including prohibition of annual dollar limits on essential health benefits, coverage for recommended preventive care, 90-day waiting period limitations, out-of-pocket limit maximums, and the elimination of preexisting condition exclusions for adults;
- New excise fees and taxes, such as the PCORI fee (payable by self-funded plan sponsors and issuers by the end of July 2013) and the transitional reinsurance fee (payable in late 2014), as well as the corresponding reporting requirements;
- Revised Summary of Benefits and Coverage notices and the required exchange notice informing employees of the availability of coverage through exchanges; and

New guidelines for wellness programs.

The employer mandate delay only affects which employees must be offered coverage, not the nature of the coverage that will ultimately be offered. Failure to comply with these ACA obligations may result in an employer facing penalties unrelated to the employer mandate. While we are awaiting further guidance on the employer mandate and reporting delay, employers should use this much-needed breathing room to continue taking the necessary steps to make sure their plans are in compliance with all ACA obligations.

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Save the Date! Upcoming Events

- **August 15th**-application deadline for 2014 SHRM Expertise panels. Go to: [Apply - Special Expertise Panel](#). Information about Special Expertise Panels: [Special Expertise Panels](#).
- **August 19th**-application deadline for Susan R. Meisinger Fellowship for Graduate Study in HR Scholarship To be eligible to apply, an HR professional must be a first-time master's student seeking a degree in HR and must meet at least one of the following criteria: 1) be a member of SHRM or 2) hold a professional certification (e.g., PHR, SPHR or GPHR certification) from the HR Certification Institute. Go to : [SHRM Foundation Scholarships](#) for more information.
- **September 18th**—TVC-SHRM Fall Workshop-Calhoun Robotics Center
- **September 24th**-Diversity Summit/Banquet at Ingall's Harbor
- **September 19th-28th**—Morgan County Fair
- **November 13th**--Annual Fall Legislative Meeting-speakers to be announced
- **November 21-23rd**-SHRM Leadership Conference in Washington, DC
- **December 11th**-Annual TVC-SHRM Holiday party. Wintzell's Oyster House in Decatur (on the Beltline). More details to come.
- **Every 1st Wednesday**-Workforce Coalition meeting at The Chamber of Commerce (*Contact Mary Ila Ward at miw@mceda.org*)

In lieu of our normal meeting, we will have the Fall Workshop on Wednesday, September the 18th at the Calhoun Robotics Center. This will be an all-day event with a focus on Healthcare reform.

Breakfast and lunch will be provided for all attendees.

Please contact Cathy Shallal at shallalc@gmail.com with any questions about the workshop or to register.

Hope to see everyone there!



Tennessee Valley Chapter SHRM