Benefits BUZZ

Benefits tips brought to you by
Phillips Financial

November 2016

DID YOU KNOW?

As part of the Disability Employment Initiative (DEI), the U.S. Department of Labor (DOL) recently awarded a total of $14.9 million in grants to six states. The specific amount awarded to each state is as follows:

- California—$2,500,000
- Connecticut—$2,500,000
- Idaho—$2,500,000
- Massachusetts—$2,500,000
- Minnesota—$2,500,000
- Maryland—$2,472,986

Among other things, the grant money will be used to improve employment outcomes, diversify training opportunities, build community partnerships and design flexible and, if necessary, customized strategies for training and support for individuals with disabilities.

Compliance Date Approaching for Employer-sponsored Wellness Programs

In May 2016, the Equal Employment Opportunity Commission (EEOC) finalized rules for employer-sponsored wellness programs under the Americans with Disabilities Act (ADA) and the Genetic Information Nondiscrimination Act (GINA).

Some provisions of the rules become effective **Jan. 1, 2017,** for calendar year plans, while others are clarifications of existing requirements.

In general, the ADA and GINA prohibit discrimination based on disability and genetic information. The EEOC rules provide guidance on how employers can structure their wellness programs to comply with the ADA and GINA in a way that is consistent with the rules for wellness programs under the Health Insurance Portability and Accountability Act (HIPAA).

Incentives

The final ADA rule clarifies the extent to which employers can offer incentives to employees for participating in wellness programs that ask them to answer questions related to disability or to undergo medical examination.

The final GINA rule explains that an employer may offer a limited incentive for an employee's spouse to provide information about the spouse's health status as part of a voluntary wellness program.

Program Design

Under the ADA, a wellness program must be voluntary. The ADA rule provides clarification on when participation in a program will be considered voluntary.

Both final rules also require wellness programs to be reasonably designed to promote health and prevent disease.

Confidentiality

Both final rules state that information from wellness programs may be disclosed to employers only in aggregate terms. Also, notice requirements apply under both the ADA and GINA.

Effective Date

The final rules' incentive limits and notice requirements apply as of the first day of the first plan year that begins on or after Jan. 1, 2017.

Employers should review their wellness programs to determine if any changes should be made to comply with the EEOC's final rules.

PHILLIPS FINANCIAL
A foundation of trust

2016 KFF Employer Health Benefits Survey Published

The annual Kaiser Family Foundation (KFF) survey, which provides a look into employer-sponsored health coverage trends, has been published. The 2016 survey featured approximately 1,900 interviews with non-federal public and private firms.

Key Statistics

Over the past five years alone, the average family premium has increased 20 percent. In 2016, the average family premium cost was $1,512 per month or $18,142 per year—a 3 percent increase from 2015.

The survey found that covered workers, on average, contribute about 30 percent of the premium for family coverage (18 percent for single coverage), or about $440 ($94) per month. In these cases, employers typically cover the rest of the premium cost, which can be a significant amount.

These findings reflect what is already known: The cost of health care continues to rise.

Full Survey Results

A full, downloadable version of this survey, which features these statistics and many more, will be released in the near future.