



Monthly Newsletter

by EB Advisors

September 2017

DOL Releases Updated Model CHIP Notice

An updated model notice for employers to provide information on eligibility for premium assistance under Medicaid or the Children's Health Insurance Program (CHIP) is now available for download from the U.S. Department of Labor (DOL).



[Click here](#) to download the latest employer CHIP notice in PDF format. A [Microsoft Word version](#) is also available.

Annual Notice Requirement

The employer CHIP notice must be provided **annually before the start of each plan year** to inform each employee (regardless of enrollment status) of potential opportunities for premium assistance **in the state in which the employee resides**. This may or may not be the same as the state in which the employer or its principal place of business is located.

An employer can choose to provide the notice on its own or concurrently with the furnishing of:

- Materials notifying the employee of health plan eligibility;
- Materials provided to the employee in connection with an open season or election process conducted under the plan; or
- The summary plan description (SPD).

The updated model notice includes information on how employees can contact their state for additional information and how to apply for premium assistance, with information current as of **August 10, 2017**.

Taming the Productivity Killers

From water cooler gossip, to interminable meetings, to hours wasted scrolling through social media, the modern workplace is teeming with threats to employee productivity. These distractions are taking a toll: several recent surveys show that U.S. employees are spending a mere 40-50% of their workdays engaged in job-related tasks. Fortunately, there are simple steps you can take to help employees avoid common productivity pitfalls.



- **Properly Train Employees:** Whether it is on-the-job training, formal courses, or online learning, any investment you make in employee training is an investment in productivity. Properly trained employees are more effective, more likely to stay at their jobs, and less likely to expose your organization to unnecessary risks and liabilities.
- **Avoid Burdensome Meetings:** Before scheduling a meeting, consider whether it is necessary to accomplish your goals. Invite only essential personnel, and always draw up an agenda of items to be covered and distribute it in advance. Finally, communicate start and end times for the meeting as a whole and each agenda item, and stick to the agenda to the best of your ability.
- **Be Proactive in Reducing Gossip:** An office subject to constant gossip will ultimately suffer from poor morale and lower productivity. To stem the chatter, managers should communicate with employees regularly about issues that affect the company, their departments, and

their individual positions. This will foster an environment of trust and transparency, and diminish the appeal of the rumor mill.

- **Digital Distractions:** While electronic communication has revolutionized how we work, it also has the capacity to impair our efficiency. For instance, computers help us work faster, but also make it easy for employees to "check out" during the workday with online shopping, entertainment, or social media. To ensure that technology does not become an impediment to productivity, employers should establish email, internet, and social media use policies, and train employees on each of these.

For more employee management tips, check out our [Human Resources](#) section.

Our section on [CHIPRA](#) (the Children's Health Insurance Program Reauthorization Act) contains additional information on employer responsibilities related to the state Children's Health Insurance Program.

IRS: Health FSAs Cannot be Used for Insurance Premiums

A recently released IRS letter reaffirms the agency's view that funds from a health flexible spending arrangement (health FSA) may **not** be used to reimburse **health insurance premium payments or Medicare premium expenses**.



Certain Premiums May be Deducted

The IRS letter points out that health insurance premium payments, including those for Medicare, may qualify for purposes of the itemized deduction for medical expenses. However, only premiums for which the taxpayer is not claiming a separate credit or deduction can be included as part of a medical expenses deduction. **Additional restrictions apply to this deduction.** For

more information, please see IRS [Publication 502](#), *Medical and Dental Expenses*.

[Click here](#) to read the IRS letter in its entirety.

For additional information on health FSAs, visit our [HSAs, FSAs, and Other Tax-Favored Accounts](#) section.

Maximum Individual Mandate Payment for 2017 Announced

The IRS has released the 2017 monthly national average premium for a bronze-level health plan offered through the Health Insurance Marketplace, which is used to determine the maximum individual mandate penalty.



New Guidance

According to the new IRS guidance, the **monthly national average premium** for qualified health plans that have a bronze level of coverage and are offered through the Health Insurance Marketplace in 2017 is:

- **\$272 per individual (up from \$223); and**
- **\$1,360 for a family with five or more members (up from \$1,115).**

The guidance is effective for **taxable years ending after December 31, 2016**.

Calculating the Payment

The Affordable Care Act's "[individual mandate](#)" provision requires every individual to have minimum essential health coverage for each month, qualify for an exemption, or make a penalty payment when filing his or her federal income tax return.

The annual penalty amount is either a percentage of an individual's household income in excess of the tax return filing threshold or a flat dollar amount, whichever is greater. **The maximum penalty amount is capped at the cost of the national average premium for a bronze level health plan**

available through the Marketplace. At this time, the 2017 inflation adjustment for the flat dollar amount penalty has not been announced.

Visit our section on the [Individual Mandate \(Individual Shared Responsibility\)](#) for more information on the individual mandate.

How to Make Your Job Posting Stand Out

Filling a job vacancy is a big task. Unfortunately, you get only one chance to make a first impression, and the job posting is often your very first contact with a potential employee. But how do you make your job posting stand out above the rest? Watch the video below to learn five fast tips to make your job posting stand out.



For more helpful recruitment tips, check out our [Recruitment & Hiring](#) section.

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