



***** BULLETIN *****

TO: ALL GROUP HEALTH CLIENTS

FROM: GREENBERG & ASSOCIATES INSURANCE, LLC.

DATE: JULY 12, 2013

RE: U. S. Department of Labor Technical Release and Model Plan Documents for Required Employer Exchange Notice

In Bulletins earlier this year, we've informed you of the upcoming required notification to employees informing them of their coverage options through the new Marketplace, called Cover Oregon in Oregon State and The Washington Healthplanfinder in Washington State. The Marketplace notification is required under the Fair Labor Standards Act (FLSA), Section 18B, added by Section 1512 of the Affordable Care Act. The notification was originally to be required by March 1, 2013, but was delayed. On May 8, 2013, the Department of Labor issued Technical Release No. 2013-02 which provides guidance on the required Marketplace notice to Employees and Model Plan Documents. The full Technical Release is available for your review at the following link: <http://www.dol.gov/ebsa/newsroom/tr13-02.html> . Guidance and Model Plan Documents were scheduled to be released later this summer or early fall by the DOL. But, due to requests from employers wanting to inform employees earlier, the DOL has responded by releasing this temporary guidance and plan documents. They are permitting employers to use the model documents at this time and to rely on their temporary guidance prior than the revised due date of October 1, 2013, to fulfill their requirements.

The DOL provides an online tool at <http://www.dol.gov/elaws/esa/flsa/scope/screen24.asp> to help employers determine whether they are subject to the FLSA. In general, the FLSA applies to employers that employ one or more employees who are engaged in, or provide goods for, interstate commerce and are a company or organization with an annual dollar volume of sales or receipts of \$500,000 or more. If an employer is subject to the FLSA, it must provide a Marketplace Notice regardless of whether it is a small or large employer, grandfathered, non-grandfathered or offers no coverage at all.

To satisfy the content requirements for FLSA, Section 18B, the DOL has provided Model Plan Documents. There is one model for employers who do NOT offer a health plan and another Model Plan Document for employers who DO offer a health plan for some or all employees. As long as the employer notice meets the content requirements described in the Technical Release 2013-02, you can use a modified version of the Model Plan Documents. Following are the direct links to the Model Plan Documents available at the DOL:

Model Document for Employers that DO offer coverage:

<http://www.dol.gov/ebsa/pdf/FLSAwithplans.pdf>

Model Document for Employers that do NOT offer coverage:

<http://www.dol.gov/ebsa/pdf/FLSAwithoutplans.pdf>

Employers are required to provide the notice to each new employee at the time of hiring beginning October 1, 2013. For 2014, the DOL will consider a notice to be provided at the time of hiring if the notice is provided within 14 days of an employee's start date. For all current employees, the notice is required no later than October 1, 2013, and is to be provided automatically and free of charge. It may be provided electronically if the DOL's electronic disclosure requirements are met.

In addition, the Department of Labor has issued a revised COBRA Model Plan Document incorporating the changes that apply due to the Affordable Care Act. You can access the new COBRA Model Plan Document, or a redline version showing the May 2013 changes, at the DOL's COBRA Continuation Coverage Webpage at: <http://www.dol.gov/ebsa/cobra.html> .

Since the DOL is permitting use of the guidance in Technical Release No 2013-2 and the Model Plan Documents to satisfy the Marketplace Notification requirements by employers, we are forwarding you this information at this time to allow you to plenty of time to research your company's specific requirements, prepare and distribute your notifications well in advance of the required October 1st deadline.

Please don't hesitate to let us know if you have any questions regarding the notifications after you've had a chance to review the DOL Technical Release and the Model Plan Documents.

Sharon Greenberg and
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