



## Upcoming Deadlines for Employers to File ACA Information Returns with IRS

Employers subject to the new Affordable Care Act (ACA) information reporting requirements are reminded that the deadlines for filing the first ACA information returns with the IRS for the 2015 calendar year are quickly approaching. The due dates are as follows:

- **Applicable large employers (ALEs)**--generally those with 50 or more full-time employees, including full-time equivalents--must file Forms [1094-C](#) and [1095-C](#) with the IRS **no later than May 31, 2016 (or June 30, 2016, if filing electronically)**.
- **Self-insuring employers that are not considered ALEs**, and other parties that provide minimum essential health coverage, must file Forms [1094-B](#) and [1095-B](#) with the IRS **no later than May 31, 2016 (or June 30, 2016, if filing electronically)**.

The ACA information returns are used to report certain information to the IRS about the health care coverage offered to employees and other covered individuals (as applicable). Affected employers were also required to furnish employee/individual statements, on or before March 31, 2016, that included the same information provided to the IRS.

Please note that the above deadlines reflect the IRS extension for 2015 information reporting due in 2016. The normal deadlines, which will apply for 2016 information returns filed in early 2017 and onward, are:

- Individual Statements: January 31
- IRS Reports: February 28 (if filing on paper) or March 31 (if filing electronically)

Be sure to review our [Information Reporting](#) section for more guidance, and Q&As.

## Updated FMLA Poster Now Available

The U.S. Department of Labor (DOL) has released an [updated version](#) of the "Employee Rights Under the Family and Medical Leave Act" poster (often referred to as the "General FMLA Notice"), along with a [new guide](#) to help employers comply with the law. Employers may use **either** the new April 2016 version of the poster **or** the prior February 2013 version of the poster to fulfill their FMLA posting requirements.

### Background

The federal FMLA provides eligible employees of covered employers (including private sector employers who employ **50 or more employees** for at least 20 workweeks in the current or preceding calendar year) with unpaid, job-protected leave for specified family and medical reasons. The law also includes certain family military leave entitlements. Employers are required to maintain group health insurance coverage for an employee on FMLA leave on the same terms as if the employee continued to work.

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# Updated FMLA Poster Now Available

## Updated FMLA Poster

Every employer covered by the FMLA is required to display a poster prepared by the DOL which summarizes the major provisions of the law. The poster must be displayed in a conspicuous place where employees and applicants can see it, even if there are no employees eligible for FMLA leave. An [April 2016 version of the required FMLA poster](#) is now available for employers; however, **the February 2013 version of the FMLA poster is still valid and can be used to fulfill the posting requirement.**

If a covered employer has any eligible employees, it **must also** provide the general notice to each employee by including it in employee handbooks or other written guidance concerning employee benefits or leave rights, if such written materials exist (otherwise, the employer may distribute a copy of the general notice to each new employee upon hire).

## New Employer's Guide

A new [employer's guide](#) was also released, which is designed to provide information about employers' obligations under the law and their options in administering FMLA leave. The guide contains resources such as charts, examples, and citations for further information.

# New Versions of SBC Template and Related Documents Finalized

Federal agencies have finalized new versions of the [summary of benefits and coverage \(SBC\) template, instructions, uniform glossary, and related documents](#), which are authorized for use **on or after April 1, 2017**. Under the Affordable Care Act, group health plans and health insurance issuers are generally required to provide a written SBC to plan participants and beneficiaries at specified times during the enrollment process and upon request.

## Changes to SBC Template

The new SBC template includes an additional coverage example as well as language and terms to improve individuals' understanding of their health coverage. Specifically, the new template includes more information about cost-sharing, such as enhanced language to explain deductibles, and requires plans to address individual and overall out-of-pocket limits. Changes have also been made to the SBC to improve readability.

## Date for Using Updated Template and Related Documents

The implementation date for using the new SBC template and associated materials will be as follows:

- Health plans and issuers that **maintain an annual open enrollment period** will be required to use the new editions beginning on **the first day of the first open enrollment period that begins on or after April 1, 2017** with respect to coverage for plan years beginning on or after that date.
- Health plans and issuers that **do not use an annual open enrollment period** will be required to use the new editions beginning on **the first day of the first plan year that begins on or after April 1, 2017**.



Our section on the [Family and Medical Leave Act](#) includes additional FMLA forms and notices for use by employers.



Additional information can be found in our [Summary of Benefits & Coverage \(SBC\) section](#).

## 3 Things for Employers to Know About Vacation Leave

With summer just around the corner, now is a great time to review existing vacation leave policies. Here are three things employers need to know about vacation leave:

**1. Vacation leave is not required under federal law.**

While vacation days are a common employer-provided benefit, federal law generally [does not require](#) either time off or pay for vacation. However, if an employer decides to offer vacation leave to its employees, the policy should be applied fairly and uniformly.

**2. State laws may apply to pay in lieu of earned vacation.**

In addition to allowing employees annual time off for vacation, employers also commonly provide pay in lieu of vacation time that employees have earned. A number of states require employers to pay employees for unused accrued vacation upon termination. Contact your [state labor department](#) for guidance on your state's laws regarding vacation pay.

**3. Vacation policies should be in writing and communicated to employees.**

It is very important for employers to develop a clear, written policy regarding paid vacation leave and follow it exactly. Non-written leave policies can lead to inconsistency and complaints from confused employees, as well as claims of discrimination. At a minimum, the policy should include:

- The categories of employees who are eligible to accrue and use paid vacation leave
- The amount of paid vacation leave provided each year and how leave is earned
- Whether paid vacation leave can be carried over from year to year
- Whether employees will be paid for unused vacation leave upon termination of employment (in compliance with any state law requirements)



Check out our section on [Leave and Time Off](#) to learn more about federal and state-mandated leave requirements, as well as common types of employer-provided voluntary time off.

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*Marshall & Sterling Insurance will continue to provide you with updates and information regarding important issues. Should you have specific questions or need more information, please contact us.*

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