

2016 New Plan Design Requirements Checklist

The following are important new employer-provided health and welfare plan design issues to consider for 2016.

Cost-sharing Limits

Done
 N/A

Affected Plans/Employers:

Non-grandfathered medical plans

Description:

Group health plans must limit in-network out-of-pocket cost sharing to **\$6,850 self-only/\$13,700 family** in 2016. But see the lower limit for *HDHPs* below.¹

Starting with the 2016 plan year, the self-only annual limitation on cost sharing applies to each individual, regardless of whether the individual is enrolled in other than self-only coverage, including in a family HDHP.

Limits and Requirements

Done
 N/A

Affected Plans/Employers:

HSA and HSA-compatible HDHPs

Description:

The 2016 HSA contribution limits and HSA-compatible HDHP requirements are as follows:

- Maximum contributions of **\$3,350 self-only/\$6,750 family**
 - Catch-up contribution (for those 55 or older) of **\$1,000**
- Minimum deductibles of **\$1,300 self-only/\$2,600 family**
- Maximum out-of-pocket expenses of **\$6,550 self-only/\$13,100 family**

In cases where the HDHP renewal date is after the beginning of the calendar year, any required changes to the annual deductible or out-of-pocket maximum may be implemented as of the next renewal date.



Thresholds

Done

N/A

Affected Plans/Employers:

Health FSAs

Description:

There is a **\$2,550** limitation on employee salary reductions to health FSAs for plan years beginning in 2016.

Thresholds

Done

N/A

Affected Plans/Employers:

Employers offering qualified transportation fringe benefits

Description:

For calendar year 2016:

- the monthly exclusion limitation for transportation in a commuter highway vehicle (vanpool) and any transit pass is **\$130**;
- the monthly exclusion limitation for qualified parking expenses is **\$255**.

EEOC's Proposed Wellness Program Rules

Done

N/A

Affected Plans/Employers:

Employers with wellness programs

Description:

Under new proposed ADA regulations, the 30% premium differential cap applies to:

- Participatory only (not just health-contingent) wellness programs;
- The cost of employee-only coverage (not family coverage when family members participate); and
- Tobacco-related wellness programs if there is a medical exam (such as a biometric screening that tests for the presence of nicotine).

There are also notice and confidentiality provisions.

Employers may want to consider compliance now rather than awaiting final regulations.



Employer Penalty

Done

N/A

Affected Plans/Employers:

Large Employers

Description:

Review plans for offers of affordable, minimum value coverage.

Employer Penalty

Done

N/A

Affected Plans/Employers:

Large Employers

Description:

For the federal poverty line affordability safe harbor, the employee's monthly contribution amount for the self-only premium of the employer's lowest cost is \$93.18 or less for plan years beginning on and after March 1, 2015.

- 1 Plans, such as those with multiple service providers, may divide the annual limit on out-of-pocket costs across multiple categories of benefits, rather than reconcile claims across multiple service providers, if the combined out-of-pocket maximum for the year does not exceed the applicable annual limit. For example, for 2015, a plan that provides self-only coverage could have an out-of-pocket limit on the major medical plan of \$3,600 and an out-of-pocket limit on a separate pharmacy benefit of \$3,000 for a combined out-of-pocket limit of \$6,600.