



Annual Reminders for Central Office Staff from VEHI

While many districts have moved to a January open enrollment, some are still on a July open enrollment, and many districts take the new fiscal year and premium rate change as an opportunity to update important documents for employees. Below are a list of many of those documents and links to our website for more information.

SBC/HRA Wrap (Summary of Health Plan Benefits/Health Reimbursement)

Just a reminder that every new/renewing employee should have access to the SBCs before making their plan decision. You can point employees to the SBCs on our [website](#).

The SBC should also be accompanied by a HRA wrap document when applicable. The HRA wrap explains how the HRA works when layered on your health plan. Each district will need to create a wrap to go with each SBC, for each employee segment (most HRA plans vary between employee segments). The HRA wrap template can be found on our [website](#). Remember, if the terms of your HRA change, you will need to update your HRA wrap document.

BDD Wrap (Benefit Description Document)

The BDD is a document that explains VEHI's health plans. Each plan has a BDD Wrap, completed by the employer, which includes the specifics for each benefit and employee type. This includes language about plan cost for members and other eligibility issues. Please be sure that each employee has access to their updated BDD Wrap that would have the updated July 1st renewal rates. The BDDs and BDD Wrap Template can be found on our [website](#).

Cash-in-Lieu (CIL)

Employees should annually complete, at open enrollment, a certification to receive CIL payments. Guidance on Cash-in-Lieu and a sample certification form can be found on our [website](#).

Health Savings Account (HSA) Annual Certification

Employees that are contributing to an HSA (or having the district contribute on their behalf), must meet certain federal qualifications. You should ask employees on an annual basis to certify they are still eligible to contribute to an HSA. Please find our *Sample Certification of HSA Eligibility* on the HSA page of our [website](#).

Health Savings Account (HSA) Potential Over-Contribution Notice

Employees that are contributing to an HSA (or having the district contribute on their behalf) may only contribute up to the annual federal limit, prorated if they do not remain eligible for the entire calendar year.

Any employees that intend to leave the district at the end of the school year should pay attention to their eligibility status and are responsible to ensure they have not over-contributed to the HSA. This calculation will include any district contributions to their HSA. There is an IRS form to be completed if there has been an over-contribution. The *HSA Potential Over-Contribution Sample Notice* can be found on the HSA page of our [website](#). We encourage you to provide a copy to any employee with an HSA that is leaving employment or may no longer be eligible to contribute to or receive contributions to an HSA.

Health Savings Account (HSA) Change in Federal Annual Maximum

The IRS reviews (and sometimes makes updates to) the Annual Maximums on an annual basis, usually in the month of May. We do not have confirmation on those amounts today, however, we will update you when we have confirmation.

Accumulator Credit

The end of the school year is a time where employees may decide to work for a different district in the fall. It is also open enrollment for a few districts. Many times employees' biggest concern with their changing health plan is that they are credited for the deductible that they have already met. For most people, this happens automatically if they move from one VEHI plan to another, even across employers. There are important things to know about how/when this happens. Please review the document on this topic and provide it to new or leaving employees. The *Accumulator Credit for Mid-Year Changes* for **employers** can be found on our [website](#). The version for **employees** can be found [here](#).

COBRA

Now is a good time to review your COBRA documents, current COBRA enrollees, and prepare for new enrollees for the end of the school year. You are responsible for administering COBRA and removing former employees when the COBRA time limit has been exhausted. If you need guidance, please review the COBRA page on our [website](#).

COBRA for the HRA (Health Reimbursement)

Don't forget that if you offer an HRA, it is considered part of your health plan and it is a **COBRA-eligible benefit**. There is a calculation to determine the monthly cost of the HRA for COBRA. Most HRA administrators will assist you with this calculation.

CMS Disclosure

Your annual Creditable Coverage disclosure to CMS is due by August 30th. This disclosure is required whether the coverage provided is primary or secondary to Medicare.

Please also note that you should be reporting this summer as VEHI Health plans are based on a July through June fiscal year. You must file an online annual disclosure with CMS by August 30 regardless of your Section 125 Plan year. Resources can be found under *CMS Reporting Resources* on our [website](#). Gallagher is also a resource for this, and you can email them at VEHIhelp@ajg.com for assistance.