

Benefits

BUZZ

Benefits tips brought to you by
AxisPointe Benefit Advisors

June 2018

IRS Announces Second Change to HSA Family Contribution Limit

Earlier this year, a tax law change for 2018 reduced the health savings account (HSA) contribution limit for individuals with family high deductible health plan (HDHP) coverage from \$6,900 to \$6,850. On April 26, 2018, the IRS announced that, for 2018, taxpayers with family HDHP coverage may treat \$6,900 as the annual contribution limit to their HSAs.

Why was the limit changed again?

After the IRS reduced the HSA limit for individuals with family HDHP coverage, it received feedback from various stakeholders, including employers, that the change would be disruptive and costly to implement. For example, some individuals with family HDHP coverage

made the full \$6,900 HSA contribution before the limit was reduced, and many other individuals made annual salary reduction elections for HSA contributions through their employers' cafeteria plans based on the \$6,900 limit.

In response to these concerns and others, the IRS issued [Revenue Procedure 2018-27](#), which allows taxpayers with family HDHP coverage to use the original \$6,900 HSA contribution limit for 2018.

What are the next steps?

Employers with HDHPs may want to inform their employees about the HSA contribution limit change for family HDHP coverage. Employees who changed their HSA elections to comply with the reduced limit may wish to change their elections again for the \$6,900 limit.

After the reduction in the limit was announced, some HSA account holders may have received a distribution (with earnings) from their HSAs to correct an excess contribution, based on the \$6,850 limit. [Revenue Procedure 2018-27](#) addresses the tax consequences for these individuals. To avoid taxes and penalties, individuals can repay these distributions or use them for qualified medical expenses.

DID YOU KNOW?

The due date for the Patient-Centered Outcomes Research Institute Fees (PCORI fees) is just around the corner.

By July 31, 2018, issuers and plan sponsors will be required to pay the PCORI fees for plan years ending in 2017 on IRS Form 720.

Please contact AxisPointe for additional information on PCORI fees.

DOL Releases New Resources for Mental Health Parity Compliance

The Department of Labor (DOL) has provided new resources to promote compliance with the Mental Health Parity and Addiction Equity Act (MHPAEA), including an updated self-compliance tool. The DOL has also identified [examples of nonquantitative treatment limitations \(NQTLs\)](#) that may violate the MHPAEA.

The MHPAEA requires parity between mental health and substance use disorder (MH/SUD) benefits and medical and surgical benefits.

Employers should work with their issuers and benefit administrators to confirm that their health plan's coverage of MH/SUD benefits complies with the MHPAEA, including any NQTLs. Employers should consider using the DOL's resources to understand the MHPAEA's requirements and review their plan designs.



HR Brief

Human Resources tips brought to you by
AxisPointe Benefit Advisors

June 2018

Warm Weather is in the Forecast, Remind Employees About Your Dress Code

With warmer weather approaching, the time for summer clothing has arrived. While fashion and dress is a way that many people express themselves and their unique personalities, sometimes the workplace is not an appropriate place for certain clothing styles.

Because of this, every employer should put together a carefully drafted dress code policy. This policy should not violate discrimination laws but should clearly define what is considered "appropriate attire for the workplace."

With the changing season, it's the perfect time to proactively communicate your organization's dress code expectations.

Reviewing Your Dress Code

Remember, your policy should be designed to fulfill your business needs by applying some uniformity, while not infringing on the civil rights of your employees. Keep the following in mind:

- Make sure your policy has a basis in social customs and doesn't significantly differentiate the standards for men and women.
- Apply consistent discipline for dress code violations across all employees.
- Be extremely specific about what type of dress is permitted.
- Explain how your policy matches the company's culture and image.
- Apply the dress code fairly to all employees at your organization.

For More Information

If you would like additional information regarding dress code policies or employee communications, please contact us.

DID YOU KNOW?

Move over, millennials. Generation Zers are starting to enter the workforce, and, like millennials, they have the potential to change the workplace. Although the oldest Gen Zers are only 23 years old, employers are praising them for their tech-savviness and creativity.

These young business leaders could be exactly what your company needs to succeed in the digital landscape.

Contact us to learn how you can attract and retain this up-and-coming talent pool.

In Case You Missed It, The HSA Limit Changed *Again*

Earlier this year, a tax law change for 2018 reduced the health savings account (HSA) contribution limit for individuals with family high deductible health plan (HDHP) coverage from \$6,900 to \$6,850. After this change was announced, the IRS received complaints that the \$50 reduction would be difficult and costly to implement.

In response to these complaints, the IRS [announced](#) on April 26 that, for 2018, taxpayers with family HDHP coverage may treat **\$6,900** as the annual contribution limit to their HSAs.

Make sure to communicate this change to employees to help them make the most out of their benefits and avoid further confusion. For communication materials, please contact us today.

