



Tools for Navigating Healthcare Reform

Simplifying Reporting and Compliance Requirements

INTRODUCTION

Employers are continuing to search for ways to deal with the countless requirements of the Patient Protection and Affordable Care Act (PPACA), and they're increasingly turning to technology as an essential element for their healthcare administration. That's where Compass Benefits can help — our comprehensive benefits administration technology was developed with the power and flexibility to help you navigate your compliance concerns.

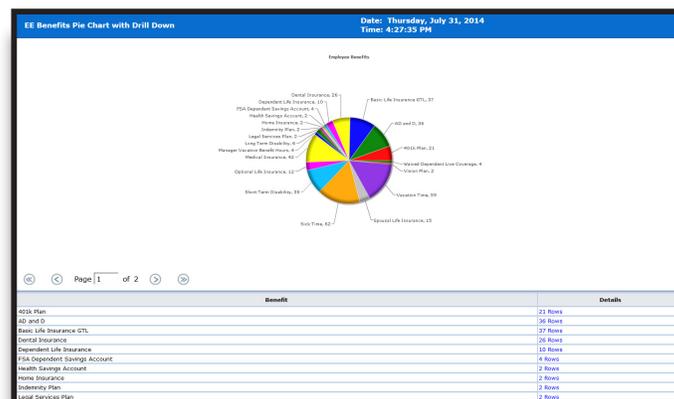
Compass Benefits Healthcare Reform Tools Include:



Form W-2 Reporting

Effective for tax years beginning January 1, 2012, employers that issued at least 250 W-2s must report healthcare costs for employee/employer contributions on each W-2.

Compass Benefits generates reports that work with Compass Payroll Central and eases the burden of the reporting requirements for employers with 250+ W-2s.



Employer Shared Responsibility

Referred to as the "Play or Pay" mandate, this provision states that if you are an employer with 50+ Full-time employees (or the equivalent), then you must offer affordable, minimum essential coverage or be subject to tax penalties.

Compass Benefits can help employers choosing to "Play" by identifying which employees are contributing more than 9.5% of earnings towards the lowest cost employee-only medical plan (the defined "affordable" threshold). Reports can be customized to show earnings during a defined time period in order to identify the best option for an employer.



Employer Notice of Exchange

Compass Benefits offers robust communication tools directly from our HR administrator platform, and electronic notices on the availability of public exchanges can be easily integrated into the new hire process or sent out on a regularly scheduled basis



Summary of Benefits and Coverage

Employers are required to provide all employees with an easy-to-understand summary of health benefits and coverage during open enrollment and on an ongoing basis.

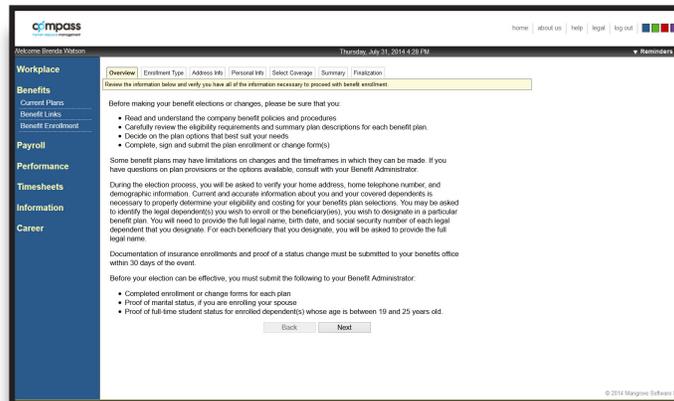
Compass Benefits can provide an electronic posting of an SBC to all benefits-eligible employees via the self-service portal to view, download and print any time — 24/7/365.



Automatic Enrollment

Employers with 200+ full time employees will be required to automatically enroll new employees in the employer's group health plan.

Compass Benefits powerful platform allows for auto-enrollment for new hires into health plans offered by the employer. Exceptions can be managed individually and there is pending guidance on pre-tax vs. post-tax, and if employees can enroll in the plan after start date.



Look Back Periods*

Beginning in 2014, employers with 50 or more full-time employees (or the equivalent) will be required to offer affordable health coverage that meets minimum requirements.

Compass Benefits offers a service that helps employers calculate the best strategy for compliance. (*available on request for additional fee)



Wellness Program Management

Starting in the 2014 plan year, the maximum incentive for wellness programs will increase from 20-30% of the full cost of coverage (with the possibility of increasing 50%). Coupled with changes in the community rating provisions, which will limit the impact of any current wellness incentives, employers may choose to focus on high-value programs (such as tobacco cessation) that can positively impact employee health and still be used in the new rating rules.

Compass Benefits allows for the creation and tracking of wellness programs and incentives that have a high value for employer rates and employee health.



Flexible Spending Account (FSA) Annual Limit

Starting with the 2013 plan year (Jan. 1 for most employees) there is a new \$2,500 cap on healthcare Flexible Spending Accounts (FSAs).

Compass Benefits is a rules-based benefits platform that allows for easy setup and compliance with federal limits on FSA plans. It also offers integrated FSA plans at relatively low cost and without set up fees.

SUMMARY

As an employer, healthcare reform is likely to bring significant administrative complexity to your organization. The implementation of various PPACA provisions began in 2010 and continues into 2018, causing an unprecedented shift in requirements for employee tracking and administration and an exponential increase in employer liability. With Compass Benefits you have access to highly valuable tools that can help simplify the report and compliance requirements of PPACA.

About Compass HRM™

Compass HRM, Inc. is a steadfast provider of fully integrated cloud-based Human Resource Management technology, developed specifically for the end user. The company's highly responsive Software-as-a-Service platform, the Compass Workforce Management System, combines advanced methodologies and user-friendly tools with functionality and flexibility to help businesses effectively supply, manage and maintain their "people assets" throughout the complete employment lifecycle. Compass HRM's transformative solutions are designed to empower companies of all sizes to maximize their potential and sustain a competitive advantage in today's ever-changing marketplace. To learn more about Compass HRM, please visit www.compasshrm.com.