



ALERT: *Immediate Release*

AssuredPartners
COMPLIANCE OBSERVER

September 27, 2017

Year-End Compliance Requirements & Deadlines

Key benefit requirements and deadlines for 2017.

September

- **Summary Annual Report (SAR)** – A narrative summary of your Form 5500, including a statement of the right to receive the annual report, must be distributed to plan participants by the last day of the ninth month following the end of the plan year, or **September 29th for calendar year plans** (since September 30th falls on a Saturday). Plans that have an extension of time to file the Form 5500 must provide the SAR within two months after the extension.
- **MLR Rebates** – The deadline for issuers to pay medical loss ratio (MLR) rebates to plan sponsors is **September 30th**. As a general rule, if the rebate is a “plan asset” under ERISA, it should be used ***within three months*** of when it is received by the plan sponsor. Thus, employers who decide to distribute the rebate to participants should make the distributions within this three-month time limit.

October

- **Medicare Part D Notices** - Employers whose health care plans include prescription drug benefits must notify Medicare-eligible individuals **by October 13th** (since October 15th falls on a Sunday) whether their plan provides “creditable coverage,” meaning that it is expected to cover, on average, as much as the standard Medicare Part D prescription drug plan.

The federal Centers for Medicare & Medicaid Services (CMS) requires that companies provide the notice before the annual Medicare Part D election period, October 15 to December 7 each year, for coverage beginning January 1. The [CMS Creditable Coverage website](#) provides complete text of the guidance and [Model Notices](#). Plan sponsors should carefully review and customize these notices to ensure they accurately reflect their plan provisions.

The disclosure notice must be given to all Part D-eligible individuals who are covered under, or apply for, an employer's prescription drug benefits plan. This requirement applies to Medicare beneficiaries who are active employees and those who are retired, as well as Medicare beneficiaries who are covered as spouses under active or retiree coverage.

- **5500 Extensions** – Calendar year plans that filed an extension must submit their Form 5500 and related schedules **by October 16th** (since October 15th falls on a Sunday and this may be filed the first day following the normal due date that is not a Saturday, Sunday, or legal holiday).

November

- **2016 Transitional Reinsurance Fee Second Payment** – Self-insured plans who elected to pay their 2016 fees in two installments must pay the second installment **by November 15th.**

Other Year-End Reminders

- **Nondiscrimination Testing** – Self-funded plans (including health FSAs and HRAs) as well as Cafeteria Plans that have not yet performed nondiscrimination testing under IRC Sections 105(h) and 125, respectively, should do so now to allow enough time prior to the end of the plan year to make any necessary changes to ensure they are nondiscriminatory.
- **Annual Notices** – Calendar year plans should ensure that their 2018 Open Enrollment materials, benefit guides and/or other materials contain all of the required health plan annual notices.

**Should you have any questions or concerns please contact your
AssuredPartners Benefits Team**