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HR News & Best Practices

Final Notice of Benefit and Payment Parameters for 2020

Recently, the Department of Health and Human Services (HHS) released [its final Notice of Benefit and Payment Parameters for 2020](#). This proposed rule describes benefit and payment parameters under the Affordable Care Act (ACA) that would be applicable for the 2020 benefit year. Standards included in the rule relate to:

- Annual limitations on cost sharing
- The individual mandate's affordability exemption
- Direct enrollment in the Exchanges
- Special enrollment periods (SEP) in the Exchanges

HHS also sought comments on issues to address in the future, such as the practice of "silver loading," the automatic re-enrollment process through the Exchanges and any additional measures that would reduce eligibility errors and potential government misspending. HHS noted that it intends to take the comments received in response to the proposed rule into consideration in future rulemaking.

Notable Changes for 2020

The out-of-pocket maximum (OOPM) will increase, and the ACA's affordability exemption threshold will decrease for 2020.

- OOPM: \$8,150 for self-only coverage and \$16,300 for family coverage
- Affordability threshold: 8.24% of household income

The final rule also enhances direct enrollment through the Exchanges and establishes a new SEP for the Exchanges.



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The HR Resource Every Business Needs

Whether you have 5 employees or 500, HR360 provides easy-to-understand guidelines that will help you remain compliant. With HR360, you'll find easy, step-by-step guidance on how to comply with a broad range of laws, from Health Care Reform, COBRA, and FMLA to how to interview, hire, and terminate employees. [Click here to learn more!](#)



Lowest Unemployment in Decades

Job figures continued to rise in April, officially bringing unemployment to its lowest in 50 years—3.6%, according to the Bureau of Labor Statistics (BLS).

Primary job gains occurred in the health and business services sectors, with respectable growth in construction as well.

With over 150,000 jobs being added each month, on average, employment growth shows no signs of slowing down.

However, despite this upward trend, experts caution to expect more modest job creation over the next few months.

Growth by the Numbers

Unemployment fell across all categories tracked by the BLS. Notably, unemployment rates for women and Hispanics dropped to record lows for the first time since 1953 and 1973, respectively.

But not all workers are feeling the economic gains. Long-term unemployment is still high, and the number of part-time workers looking to work full-time remains steady, according to experts.

Employer Takeaway

The labor market is tightening up, but it's not tapped out. This means now is the time to attract talent and retain your current workforce.



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DOL Issues Opinion Letter on Gig Worker Classification

In the growing “gig economy,” individuals perform jobs on a one-off or short-term basis, typically through an online application or job marketplace. On April 29, 2019, the Department of Labor (DOL) issued an [opinion letter](#) addressing whether individuals working for a virtual marketplace company (VMC) are employees or independent contractors under the Fair Labor Standards Act (FLSA).

According to the DOL, the VMC described in the opinion letter provides a referral service—it does not receive services from the workers itself. As a result, the DOL clarifies that workers who use the VMC to provide services are independent contractors.

This opinion letter indicates that the DOL generally classifies gig workers as independent contractors. Opinion letters are specific to the situations presented, but employers can look to them for guidance on the DOL's interpretation of the law.

The interpretation in this opinion letter may not apply to all gig workers if their circumstances are substantially different from the situation addressed in the letter.



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Hiring & Managing Seasonal Employees

With the summer hiring season underway, employers should begin thinking about how best to hire and manage seasonal employees. Employers who do not dedicate time to these critical steps risk having to face disgruntled employees, unhappy customers, and even legal violations. To learn some best practices for hiring and managing seasonal employees, please [watch the video below](#).

To learn how to attract top talent to your company, visit our [Recruitment & Hiring](#) section.



Marshall & Sterling Insurance will continue to provide you with updates and information regarding important issues. Should you have specific questions or need more information, please contact us.

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