



New York Enacts Paid Family Leave Policy *Law Covers All Employers, Regardless of Business Size*

New York has enacted paid family leave policy into law that will apply to employers of all business sizes. When the law is fully phased-in over the next several years, employees will be eligible for **12 weeks** of paid, job-protected leave when certain life events occur.

Employee Eligibility Requirements

Under the new law, employees are generally eligible for paid family leave benefits after having worked for their employers for **26 or more consecutive weeks**.

"Family leave" is defined as leave taken by an employee from work:

- To participate in providing care, including physical or psychological care, for a family member (including a child, parent, grandparent, grandchild, spouse, or domestic partner) with a serious health condition;
- To bond after the birth or adoption of a child (including foster children, the children of a domestic partner, and stepchildren); or
- Because of any qualifying exigency arising out of the fact that the employee's spouse, domestic partner, child, or parent is on active military duty.

Amount of Leave

In general, the weekly benefit for family leave will be phased in as follows:

- On or after **January 1, 2018**, eligible employees will be entitled to **8 weeks of family leave** at 50% of an employee's average weekly wage (capped at 50% of the state average weekly wage);
- On or after **January 1, 2019**, eligible employees will be entitled to **10 weeks of family leave** at 55% of an employee's average weekly wage (capped at 55% of the state average weekly wage);
- On or after **January 1, 2020**, eligible employees will be entitled to **10 weeks of family leave** at 60% of an employee's average weekly wage (capped at 60% of the state average weekly wage); and
- On or after **January 1 of each succeeding year**, eligible employees will be entitled to **12 weeks of family leave** at 67% of an employee's average weekly wage (capped at 67% of the state average weekly wage).

Employer Requirements

During any period of family leave, employers are required to maintain any existing health benefits of eligible employees in force for the duration of such leave.



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5 Q&A's About ACA Information Forms for Employees

As a result of the new information reporting requirements under the Affordable Care Act (ACA), employers may be fielding questions from employees about the different forms they are receiving with information about their health coverage. The following [questions and answers](#) for employees may be helpful:

1. What are the health care tax forms that employees might receive?

Employees may receive one or more forms providing information about the health care coverage they had or were offered during the previous year, including:

- **Form 1095-B**, which is furnished by health insurance companies, small self-insuring employers, and other providers of minimum essential health coverage.
- **Form 1095-C**, which is provided by [applicable large employers](#) (ALEs)—generally those with 50 or more full-time employees, including full-time equivalent employees.

Individuals that enrolled in coverage through the Health Insurance Marketplace will receive Form 1095-A.

2. How do employees use the information on these forms?

An employee uses the information on these forms to verify that the employee, his or her spouse, and any dependents had minimum essential health coverage for each month during the prior year and to report that coverage on his or her federal income tax return. Employees that did not have minimum essential health coverage may be liable for an individual shared responsibility payment.

3. Can employees file their tax returns if they have not received these forms?

Yes. Employees should not wait for either Form 1095-B or 1095-C to file their individual income tax returns. Other forms of documentation that may assist in reporting health coverage include insurance cards, explanations of benefits, and Forms W-2 reflecting health insurance deductions. (Employees enrolled in Health Insurance Marketplace coverage will need the information on Form 1095-A to file a complete and accurate tax return.)

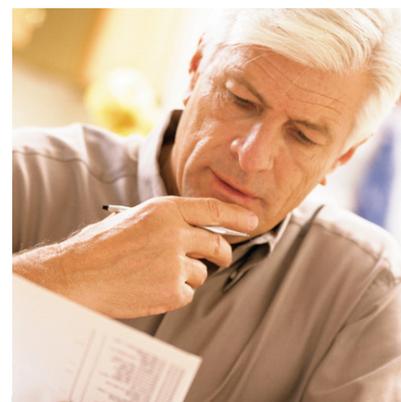
4. Should these forms be attached to individual income tax returns?

No. Although employees may use the information on the forms to help complete their tax returns, these forms should not be attached or sent to the IRS. The issuers of the forms (e.g., employers or health insurance companies) are required to send the information to the IRS separately. Employees should keep the forms for their records along with other important tax documents.

5. Who should employees contact with questions about these forms?

Employees should contact the provider of the form (e.g., the employer or health insurance company), not the IRS, with questions about Form 1095-B or 1095-C. For questions about Form 1095-A, employees should contact the Health Insurance Marketplace.

Our section on [Information Reporting](#) provides more information on the requirements for employers.



Check out our section on [Information Reporting](#) for more information on the ACA requirements for employers.

New ACA Guidance on SBC Templates, Cost-Sharing Limits, and Extended Transition Relief for Existing Coverage

Employers should take note of important new agency guidance affecting a number of Affordable Care Act (ACA) requirements over the next year.

Implementation Date for Using New Proposed SBC Template

A [new FAQ](#) regarding the applicable date for using the new proposed summary of benefits and coverage (SBC) template and associated documents provides the following expected implementation dates:

- Health plans and issuers that **maintain an annual open enrollment period** will be required to use the new SBC template and associated documents beginning on **the first day of the first open enrollment period that begins on or after April 1, 2017** with respect to coverage for plan years beginning on or after that date.
- For health plans and issuers that **do not use an annual open enrollment period**, use of the new proposed SBC template and associated documents would be required beginning on **the first day of the first plan year that begins on or after April 1, 2017**.

2017 Cost-Sharing Limits Released

[New guidance](#) from the U.S. Department of Health and Human Services updates the limit on annual out-of-pocket cost-sharing for coverage of essential health benefits by non-grandfathered group health plans. For 2017, annual out-of-pocket expenses may not exceed **\$7,150 for self-only coverage** or **\$14,300 for family coverage**.

Small Businesses May Be Able to Keep Existing Health Coverage Through Policy Years Beginning On or Before October 1, 2017

A previously extended transitional policy which allows health insurance issuers, at their option, to continue small business group coverage that would otherwise be terminated or cancelled [has been extended further--to policy years beginning on or before October 1, 2017, provided that all policies end by December 31, 2017](#). Health insurance issuers that renew coverage under the extended policy are required to provide standard notices to affected small businesses for each policy year.

Policies subject to the transitional relief **will not be considered to be out of compliance with some of the ACA's key provisions**, including:

- The requirement to cover essential health benefits;
- The requirement that any variations in premiums be limited with regard to a particular plan or coverage to age and tobacco use, family size, and geography; and
- The requirements regarding guaranteed availability and renewability of coverage for employers.

Be sure to visit our [Health Care Reform](#) section to stay on top of the latest ACA updates.



Pro-Tip: Our [Health Care Reform](#) section will help you stay on top of the latest ACA updates.

3 Tax Recordkeeping Tips for Employers

Keeping good records not only makes tax filing easier and faster, but it can also help you monitor the progress of your business, prepare your financial statements, and support items reported on your tax returns. Here are three simple tips [from the IRS](#) to help you get organized:

1. Save Certain Business Records

The following are some of the types of records you should keep:

- **Gross receipts** are the income you receive from your business. You should keep supporting documents that show the amounts and sources of your gross receipts.
- **Purchases** are the items you buy and resell to customers. Your supporting documents should show the amount paid and that the amount was for purchases.
- **Expenses** are the costs you incur (other than purchases) to carry on your business. Your supporting documents should show the amount paid and that the amount was for a business expense.
- **Assets** are the property, such as machinery and furniture, that you own and use in your business. You need records to compute the annual depreciation and the gain or loss when you sell the assets.

2. Keep Employment Tax Records

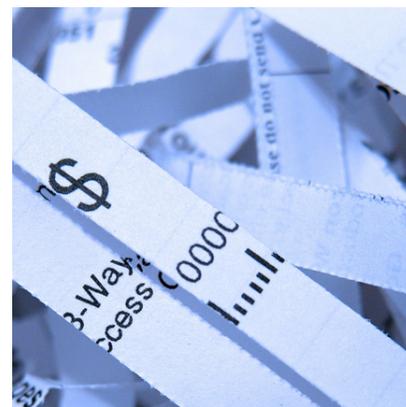
The following information should be available for IRS review:

- Your employer identification number (EIN);
- Amounts and dates of all wage, annuity, and pension payments;
- Amounts of tips reported;
- The fair market value of in-kind wages paid;
- Names, addresses, social security numbers, and occupations of employees and recipients;
- Any employee copies of Forms W-2 that were returned to you as undeliverable;
- Dates of employment;
- Periods for which employees and recipients were paid while absent due to sickness or injury and the amount and weekly rate of payments you or third-party payers made to them;
- Copies of employees' and recipients' income tax withholding allowance certificates;
- Dates and amounts of tax deposits you made;
- Copies of returns filed;
- Records of allocated tips; and
- Records of fringe benefits provided, including substantiation.

3. Store and Organize Your Records

Business owners should generally **keep all employment-related tax records for at least 4 years** after the tax is due, or after the tax is paid, whichever is later. The length of time you should keep [other documents](#) depends on the action, expense, or event the document records.

You can review our section on [Employee Records and Files](#) for information on other federal recordkeeping responsibilities for employers.



Our section on [Employee Records and Files](#) contains information on the federal recordkeeping responsibilities employers need to know.

Common Workplace Poster Mistakes and How to Correct Them

A number of federal, state, and local laws require employers to display labor posters in their workplaces that include information about relevant employment laws. Employers should be mindful of the following mistakes concerning workplace posters.

Mistake #1: Posting the Wrong Posters

A good place to start your poster inspection is with the U.S. Department of Labor's (DOL) online [Poster Advisor](#), an interactive tool that can be used to determine the poster requirements of several federal laws administered by the DOL. Be sure to check with your [state labor office](#) for state-specific poster requirements, as well as any industry-specific requirements that may apply to your business. You should also check with your local municipal government, as certain localities may require additional workplace postings.

Mistake #2: Posting Outdated Posters

Workplace posters are updated from time to time--for example, to reflect changes in the law--so make it a regular practice to check whether the posters displayed in your workplace are the most recent versions available.

Mistake #3: Posting the Wrong-Sized Poster

Many of the agency links to required workplace posters contain specific information regarding a poster's size. If you have any questions regarding the required size of a poster, contact the DOL or the applicable state or local agency.

Mistake #4: Hanging Posters in the Wrong Place

Workplace posters must generally be displayed in a prominent location where all employees can see them, but some posters may have special location requirements. Check for specific requirements for the posters you must display, and choose each poster's placement carefully.



Information regarding the federal requirements and links to downloadable posters are featured in our [Federal Poster Requirements](#) section.

For state-specific posters, visit our [State Laws](#) section, select your state, and click on 'Posters' in the left-hand navigation menu.

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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