

# SNOWDEN & ASSOCIATES, INC.

## CLIENT NEWSLETTER

Employee Benefits  
Insurance



### COBRA SEMINAR

Infinisource is a company which provides full service COBRA administration and offers COBRA seminars. They will be hosting a seminar in Louisville on May 5<sup>th</sup> from 8:30am to 3:00pm. The price is \$289 but may be discounted by entering my agent code which is AG-02822 when registering. Also, enter agent under the "how did you hear about it" prompt and enter agent invitee under "participant type". Past Infinisource seminars have been very informative and have proven to be a good value. They also help you to comply with the TAMRA provisions under the COBRA law which pertains to having COBRA training. To register, go to [www.benefitssolved.com](http://www.benefitssolved.com), select "COBRA seminars" and then select Louisville under the list of locations. The COBRA law pertains to groups with 20+ total employees (not just those on this group plan) for 50+% of the prior year.

### CHANGES IN YOUR GROUP'S POPULATION – MEDICARE AND COBRA COMPLIANCE

Both COBRA and Medicare compliance guidelines are triggered when a group has 20 or more employees for 50% of the prior year (COBRA) or 20 weeks (Medicare). When your group size fluctuates and moves above or below that line, please call our office to discuss how this may impact your group and what action may be needed. Your health insurance renewal should include a Medicare Secondary Payer form which asks you to verify your group's size. Returning this at renewal is an important way to make sure that the insurance carrier is updated on the correct size. When reporting this number, it includes all employees, not just those on the group health plan. Include any union employees and those associated with a commonly owned company.

### PUBLICLY SPONSORED PROGRAMS

The Foundation for Health Coverage Education has developed a website to educate people on what public health programs are available to them and assist them in determining if they are eligible and how to apply. If you have employees in your group who are unable to pay for their dependents' coverage, or have employees that you will be laying off, this could be a valuable tool. They may go to [www.coverageforall.org](http://www.coverageforall.org) to review information on KY Access (high risk pool), Medicaid, K-Chip (children's health care), Medicare, KY Women's Cancer Screening Program, VA benefits and the Commission for Children with Special Health Needs. If they click on "KY Health Care Options Matrix" it will provide a simply spreadsheet showing the highlights of the programs, the income table and contact phone numbers.

### SECTION 125 CAFETERIA PLANS

In its simplest form, Section 125 enables employers to "pre-tax" the employees' contribution to the insurance premiums. It also can be used for a cafeteria plan offering a variety of benefits and as a conduit for employees' contributions to a health savings account. When handling contributions in a pre-tax manner, keep in mind that you must have a formal Section 125 plan document and discrimination testing. If you are not currently using a third party administrator for this purpose, please call us and we will provide the names of some administrators that you may want to contact.

This quarterly document includes general informational notes and is not intended to be legal advice or benefits consulting. Feel free to call our office for details on any of these subjects. Q 01/09

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