EXECUTIVE SUMMARY:

EBAS (formerly known as Employee Benefits Administration Services, LLC), was established in 2002 by Linda A. Hines, ACBC. Linda incorporated her vast experience, of over 20 years working with benefits administration, into an organization with the energy and scope of providing state of the art benefits administration consulting to employers who want to maintain a competitive employee benefits package that is cost efficient to the employer as well as the employee.

Our mission statement states that we will service according to the ‘Golden Rule of Life’. This means we service the employer as if we were the employer ourselves and we service the employee as if we were that employee. In doing this, we keep in mind that how we communicate benefits to the employer or the employee is a direct representation of who we are.

EBAS is known nationally and recognized as an advanced employee benefits administrative consulting firm which works with benefit plans that are not part of the norm and as being an advocate for compliance and education of these types of plans. The Benefits Consulting Training, LLC (formerly National Association of Benefits Consultants – NAABC) recognizes Linda as their Compliance Director for Continuing Education to its national membership of over 3000 insurance brokers. Many other TPAs and insurance organizations throughout the country also call upon Linda to consult and train them about designing benefits plans that could implement these options together for a complete and compliant benefits package.

WHO OUR CLIENTS ARE:

Employers who look for resources which collaborate together and assist them in employee benefit design, communication and administration services based on their business philosophy. Many employers are compassionate to what they want to offer their employees yet be cost effective. This is a struggle to employers and EBAS will work with employer clients to customize the benefits package based on their needs and budget. These customized packages are very unique to each employer client which enables the employer to offer a valuable package to their employees. Each employer is given the opportunity to be creative throughout the process of design. This technique has proven to build a benefits package that has longevity and continuity, (a rare combination but very effective).

Employees that work for our employer clients will receive personalized service to assist with benefits communication and coordination of claims. Employees will be able to feel confident that their benefits are not a burden because EBAS will work with each employee and their benefit claims with care and thoughtfulness. This type of advocacy has shown to make the benefits package efficient and cost effective for the employee.

Insurance Brokers who are interested in showing their employer clients the type of benefits that are not ‘shelf type products’. Many brokers will find it easy to show a spreadsheet of benefit options but forget many pieces of the puzzle that fills with the employer’s business philosophy. The brokers we work with are experienced and trained to look at broader solutions that may not always be easy for them but will be beneficial for their clients.

The brokers we work with will understand that collaborating with a ‘service and compliance resource’ such as EBAS will help enhance the services they offer their clients. We assist the broker with many administrative processes and compliance issues that are laid upon their shoulders.
TECHNICAL SERVICES:

Employee communication is a key component for a successful benefits program.

EBAS has created a unique employee member packet which can describe each benefit available. This packet is part of the plan documents and assists the employer with enrollment procedures compliance. It has been claimed by other employees as a very helpful tool to understand their benefits within a consolidated format.

EBAS works with employers and brokers to assist with online enrollment services, premium billing audits and other benefit plan audits to ensure the successful implementation of the benefits plans.

EBAS has installed the necessary tools and firewalls to safeguard the privacy of the employer and employee. When we transport any information on-line, we ensure our systems are safeguarded and work with our business associates to have the same safeguards in place as well.

CLAIMS ADVOCACY LEADS TO PERSONALIZED CUSTOMER SERVICE:

EBAS employees pride themselves in helping others understand their benefits and to ensure proper claims processing. We will work with claims administrators and healthcare providers to assist the insured in claims questions. Our experience with claims advocacy will help for faster resolutions of medical claim issues.

Thank you for the opportunity to share our services with you. You will find that we are a professional organization which shows patience, understanding, diligence, and excellence. Our goal is to help you achieve the benefits communication and service your employees deserve.

Linda A. Hines, ACBC
Principal Member

Mission Statement

“To help the client, both large and small, build and communicate a complete benefits program that fits the clients’ needs and encourages growth, stability and trust while servicing our clients according to the golden rule of life.”
Benefit Plan Components that put more money into employee pockets

Cafe’ Plans:

Under IRS Code 125, the employer can sponsor an employee benefit program known as a Cafeteria Plan (“Plan”) for their employees. The employer gives this opportunity to use a salary conversion arrangement through which you can use pre-tax dollars to pay for your benefits instead of paying for the benefits through after-tax payroll deductions. By paying for the benefits with pre-tax dollars, you save money by not having to pay social security and income taxes on your salary reduction.

There are several components within a Section 125 Café Plan that can be offered as stand alone or combined together:

**Premium Plan:** This plan is often called a Premium Only Plan (POP Plan) if it is offered as a stand alone component within the Café Plan. The component does not offer reimbursement of any payroll deductions. It merely acts as a mechanism to allow the employee to pay for their portion of the employer sponsored benefits tax free. The employer will forward payroll deducted premiums to the proper insurer on behalf of the each employee enrolled.

**Flexible Spending Accounts (FSA):** FSA’s allow for an employee to set aside dollars which are payroll deducted pre-tax to pay for certain qualified expenses and receive reimbursement of their dollars for each qualified expense. There are three types of FSA’s which can be offered. An employer may offer one, two or all three. Employees must be careful in planning how much they are going to set aside because if they do not use their dollars by the end of the plan year, they will lose it.

**Medical FSA:** allows for the employee to set aside pre-tax dollars to pay for qualified medical expenses not reimbursed from insurance benefits, employer dollars or other reimbursement programs. The expenses which are qualified fall under Section 213 of the Internal Revenue Code.

There are three types of Medical FSAs:

1. The General Purpose is for all medical expenses applicable to Section 213(d) of IRC. This FSA is not compatible with an HSA.
2. The Limited Purpose FSA is compatible with an HSA. Applicable expenses within Section 213(d) of the IRC are limited to dental and vision and preventive.
3. The Post Deductible FSA is also compatible with an HSA. Medical expenses qualified under Section 213(d) of IRC are allowed once the minimum deductible amount allowed has been met by the HSA health plan. For the tax year 2018, the minimum deductible for a single person is $1350 and $2700 for family.
**Dependent Care FSA:** allows for the employee to set aside pre-tax dollars to pay for daycare expenses of a qualified dependent under the age of 13 or an elder person. This can be a huge tax savings for the employee who has daycare expenses.

**Section 132 Transportation Plan:** This allows for an employee to payroll deduct pre-tax costs for parking and transportation to and from work. Expenses such as commuter train, parking and commuter bus fares are included.

**What tax advantages can employees gain by participating in the Cafeteria Plan?**

By participating in the Plan, you will not have to pay income tax or Social Security on your elections.

**What tax advantages can employers gain by sponsoring a Cafeteria Plan?**

Employee pretax payroll deductions will reduce the employer's FICA match.

**Health Savings Accounts:** An HSA is a tax-exempt trust custodial account established exclusively for the purpose of paying qualified medical expenses of the account beneficiary who, for the months for which contributions are made to an HSA, is covered under a high-deductible health plan.

**Who is eligible to establish an HSA?**

An “eligible individual” can establish an HSA. An “eligible individual” means, with respect to any month, any individual who: (1) is covered under a high-deductible health plan (HDHP) on the first day of such month; (2) is not also covered by any other health plan that is not an HDHP (with certain exceptions for plans providing certain limited types of coverage); (3) is not entitled to benefits under Medicare (generally, has not yet reached age 65); and (4) may not be claimed as a dependent on another person's tax return.

**HSAs and FSA Cafeteria Plans**

For group benefit plans, HSAs are NOT replacing Cafeteria Plan Medical FSAs (Flexible Spending Accounts). They can work together in the same benefits program. Since HSAs are only available to those who have a qualified high deductible health plan, the employees who are not participating in the group health plan can participate in the General Use Medical FSA. There is also a Limited Use Medical FSA or Post Deductible Medical FSA available for HSA participants.

**HSAs and HRA Plans**

HRA (Health Reimbursement Arrangements) can also work with an HSA in a benefits program as long as the minimum IRS requirements are met for the HSA. EBAS can help you with administration of HSAs and recommends them to employer groups and individuals depending upon the situations for each client.
Benefit Plan Components that reduce employee medical costs

Health Reimbursement Arrangement:

The HRA is a reimbursement program which the employer sets aside dollars for each employee in a non-discriminatory way to help pay for medical expenses. The money stays with the employer until it is claimed by the employee for qualified medical expenses outlined in the plan design. To best describe the available money is to refer to it as ‘Employer exposure of funds’ for reimbursement of qualified medical expenses determined by the plan designed by the employer which were chosen from the eligible expenses outlined in Section 213(d) of the IRC.

There are many different ways to designs your benefits plan with an HRA. EBAS will analyze the current plan and recommend plan designs which best suit the group. An employer may decide to allow choices for the employee’s. The flexibility which an employer can create a customized benefit plan is key to the success of a benefits plan design which creates longevity and continuity within the employer benefits plan as a whole.

There are several HRA plans to consider:

Integrated HRAs (two types):

1) For employers that have a group health plan, you can design an integrated HRA to reimburse expenses linked to their group health plan.
2) Employers can design an HRA to reimburse expenses for an employee who is not insured with their group health plan, but is insured with another group health plan.

HRAs for Medicare and Tricare premiums:

For employers who have a group health plan but also have employees who are on Medicare or Tricare, an HRA can be created to help pay for those premiums.

QSEHRA – are HRAs for Individual insurance plan premiums:

Qualified small employers who do not have a group health plan but have employees who are insured on their own individual insurance plans not sponsored by another employer can reimburse for premiums of the individual insurance.

Whatever plan design we assist you with will work to educate and engage the employee as a consumer and a participant in a program which offers more flexibility and choices. We have always created plan design options that will lower employee premium and healthcare cost exposure along with creating an efficient plan that lowers your benefit costs.
HR Services Offered by EBAS:

You can now receive actual Human Resource Services from EBAS. Instead of just offering resources for you to look up when it comes to HR, we thought it would be best to provide you with ‘actual service’.

There are four levels for you to consider based on your needs as a company:

**Level 1 Options:**

**Benefits Reporting**
- CMS Services: Reporting to the CMS whether your plan has credible prescription coverage for medicare eligible employees. This is mandated to be the employer responsibility. If the employer is not exempt and does not file the report, then EBAS is mandated to do the report. The employer will be required to inform us of their reporting status as to whether they want EBAS to file the report or if they will do their own reporting.

- HHS Insurance Marketplace Notices to Employees: EBAS will assist employers subject to the FLSA, with the creation of the notices to distribute to their employees as to whether they offer a health plan that is affordable. EBAS will also assist the employer with any verification information necessary when HHS inquires about the plan.

- IRS Reporting: Applicable Large Employers (ALE) who offer health insurance to their employees are required to report to the IRS information about the health coverage and who the plan covered. ALEs are also required to disclose the employees a statement of the health coverage for them use for their own reporting.

**Level 2 Options:**

**Premium Billing Audits and Payments:**
- Audits that compare employee status and data with payroll deductions to ensure that employees are properly reported and paid for on the premium billings in a timely manner.

- Many employers do not realize that timely reporting of new employees, dependent changes, or terminated employees must be done within a timely manner to avoid overpayment or underpayment of premiums. Also, reporting to the payroll department any changes of premium deductions is crucial for timeliness on the employee’s paychecks.
Level 3 Options:

HR Assistance with Employee Management:

- Assist with newly hired employee set up and enrollment for all benefits. This includes tracking eligibility dates, receiving applications and processing enrollment with insurance companies and other benefits.

- Perform the New Hire reporting to the proper government agencies. The HR department will maintain the recordkeeping of the proper government identification forms.

- Prepare benefit enrollment packets which will include all required Café Plan info, SPD’s, insurance applications and the Salary Reduction Agreement (SRA) Form. Within the packet, the employee will receive instructions to contact EBAS for specific questions. All forms which will need to be returned to EBAS will be marked accordingly and noted within the instructions to the employee.

- EBAS will manage the enrollment timeline and work with the employer or broker to ensure the insurance applications and the election forms are returned to EBAS prior to the employee eligibility date.

- Upon receipt of the insurance applications, EBAS will ensure completeness and contact the employee for any missing information. EBAS will enroll the employee with the insurance companies via online enrollment.

- Upon receipt of the election form, EBAS will enroll the employee into the Café Plan and submit payroll deduction information to the payroll department.

Terminated employees or employees who lose eligibility for benefits:

HR Department will notify EBAS of the termination by submitting the Qualifying Event (QE) Form.

EBAS will do the following upon receipt of the QE Form:

- Notify the proper insurance companies and COBRA administrator for termination of benefits.

Level 4 Options:

Employer Policies and Procedures Management Services:

- Recommend changes to Management, if necessary based on regulations or law, for the proper management of Personnel Policies, Handbooks, Ethics and Harassment Policies. Upon review and authorization from Management, retain copies and distribute to employees.

- Company Policies:
  - Policy Manual and / or procedures
    - Vacation, PTO, Sick Leave, FMLA, etc.
  - Job analysis and documentation
    - Job Descriptions, Job functions and Task Listing
Compliance and Analysis Services

EBAS ensures each client that our administrative services conform to applicable legal and regulatory requirements.

HIPAA Compliance: We will provide resources to assist in compliance efforts but it is up to the employer group to make sure all procedures are in place and communicated properly. We will provide the employer with a Business Associates Agreement for our services along with an Administrative Services Agreement. These items are part of the plan documents.

Compliance with HIPAA is a priority for us and keeping information confidential is of most importance to our staff. We will not reveal any information which is considered private without written authorization.

Benefit Plan Documentation and Operation: We will provide resources for all necessary plan documents for administration and put it into book format. Any time there are updates received by EBAS from the federal government, we will automatically notify the employer and provide the resources for any updates necessary.

Benefit plan analysis and consultation for small employers and large employers to ensure that all of the requirements of the ACA, ERISA and DOL are met. This can include the ‘Play or Pay’ consequences of the ACA. We will look at strategic components available for benefit plan consultation and how they will work with the other components of your benefits package yet maintain full compliance.

Implementation and Account Management

The process of implementing and communicating new benefits and going through administrative transition can be overwhelming. You will find that we are committed to make this as easy as possible for you and your employees.

We have several years of experience communicating benefit changes to employees and work very closely with employees, one on one if necessary, to help them through the transitions.

During the transition we will work with you to carefully complete the following details in a timely manner:

1. What tasks need to be completed and when
2. Track and monitor each task
3. Internal and external meetings to make sure schedules are met
4. Other special needs that arise

Once the group is set up and enrollments are in place, an account representative will be assigned to the group. The account representative will be the person the employees and employer will have the most contact with. This person will be qualified to handle any questions or concerns that come up.