Annual employer responsibilities

There are several compliance requirements that apply to you as an employer, plan sponsor, administrator, and fiduciary. Here's how Gravie can help with some of your major responsibilities.

Plan Administration

Employer responsibilities	How Gravie helps you comply
Summary Plan Description: A document required by the Employee Retirement Income Security Act (ERISA) that explains the key features of an employee benefit plan in clear, understandable language. It must include details such as eligibility, benefits, claims procedures, and participants' rights.	SPDs must be provided to participants within 90 days of coverage and updated when material changes occur.
Fiduciary Role: Fiduciaries must manage the plan in a manner that serves the best interests of the participants and beneficiaries as required by ERISA.	The employer acts as plan sponsor, plan administrator and plan fiduciary. As fiduciary, the employer retains final decision-making authority with respect to benefit administration and plan interpretation.
Plan Funding: Plan sponsors must fund the monthly cost of the health plan.	Since the ASA provides that benefits are paid from the employer's general assets, employers must put appropriate accounting and auditing procedures in place if they permit employees to make pre-tax contributions through a cafeteria plan.
COBRA: A federal law that allows employees and their families to continue group health insurance coverage for a limited time after losing it due to job loss, reduction in hours, or other qualifying events. Employers with at least 20 employees must offer COBRA coverage.	Determine whether to self-administer COBRA or outsource to a vendor.
Cafeteria Plan Vendor: A cafeteria plan (i.e., a Section 125 Plan) must be adopted if employees are eligible to pay their portion of the plan premium on a pre-tax basis.	If employees will make pre-tax contributions toward the cost of coverage, the employer must adopt a compliant cafeteria plan.

Employer responsibilities	How Gravie helps you comply
Enrollment/Eligibility	The employer determines eligibility criteria for the plan and is responsible for sending accurate and timely enrollment data to Gravie.
Nondiscrimination Testing: If employees contribute toward benefits on a pre-tax basis through a cafeteria plan, self-funded group health plans are subject to §105(h) nondiscrimination rules	Employers must ensure benefits are offered in a non-discriminatory fashion and should work with brokers/ advisors to learn about nondiscrimination testing.
HIPAA Privacy and Security: Plan Sponsors of self-funded plans are responsible for complying with HIPAA's privacy and security requirements, including having policies and procedures in place, designating a Privacy Officer, entering into Business Associate Agreements (BAAs) with vendors, and ensuring that a plan amendment is in place that permits the plan sponsor to interact with PHI for purposes of plan administration only.	Gravie complies with HIPAA as the business associate for the plan. Employers are responsible for adopting HIPAA privacy and security requirements as the plan sponsor.

Plan Design (Various Laws)

Compliance Requirement	Description
Essential Health Benefits (EHB)	As a self-funded health plan, the plan is not required to offer the essential health benefits defined by the Affordable Care Act (ACA). However, the plan is required to select a state benchmark plan; all plan covered benefits that are EHBs in the selected state benchmark plan must contribute to the out of pocket maximum (OOPM). The Utah benchmark plan was used in drafting the template SPD provided to the plan by Gravie.
Minimum Value (MV)	All of the plans offered by Gravie provide minimum value (i.e., the plans cover at least 60% of expected costs).
Medicare Part D Creditable Coverage Status	Gravie will inform employers at implementation, renewal, and whenever the creditable status changes, whether the prescription drug coverage is creditable or non-creditable. Employers must then notify eligible individuals annually, by October 15, and whenever the creditable status changes.
Minimum Essential Coverage (MEC)	All of the plans offered by Gravie are considered minimum essential coverage (MEC).

Federal Reporting Requirements (Various Laws)

Report	Responsible Party
Employer Mandate (ACA Reporting) - Offer of Affordable, Minimum Value Coverage: Applicable Large Employers (ALEs) must report information to the IRS and furnish a statement to their full-time employees about the health coverage offered (or not offered) to them. ALEs use Forms 1094/1095-C for this purpose.	**Employer**
Employer Mandate (ACA Reporting) - Minimum Essential Coverage (MEC): Applicable to all employers offering a self-funded plan. Reports enrollment information for all individuals covered by the self-insured plan for each month of the year. Small employers use Forms 1094/1095-B. ALEs may use Forms 1094/1095-C.	**Employer** (Gravie will provide relevant enrollment information)
Medicare Part D Creditable Coverage Reporting to CMS: Employers sponsoring a plan that includes prescription drug coverage must disclose if their plan's drug coverage is creditable to CMS within 60 days of the start of the plan year.	**Employer** (Gravie will provide the plan's creditable status)
Form 5500 Reporting: Plans with 100 or more participants at the beginning of the plan year may be required to file a Form 5500 by the last day of the 7th month after the plan year ends (or if extended, by 9 and ½ months after the plan year ends). For calendar year plans, Form 5500 is due annually by July 31st.	**Employer** (Gravie will send enrollment data and encourage you to discuss your filing requirements with your tax advisor.)
Patient Centered Outcomes Research Institute (PCORI) Fee: An annual fee on health insurance issuers and plan sponsors based on the number of covered lives.	**Employer** (Gravie will send enrollment information suitable for calculating the amount owed using the "Snapshot Method" for counting enrollees.)
Prescription Drug (RxDC) Reporting: Annual report due June 1. Required for employer-based health plans providing information about prescription drugs and health care spending.	**Gravie:** Gravie works with the PBM to gather and submit the required data.

Report	Responsible Party
Gag Clause Reporting. An annual attestation of compliance with laws prohibiting gag clauses in health plans, restricting access to provider cost/quality data.	**Gravie:** Gravie will submit the Gag Clause report on behalf of all employers annually in December.
Section 111/Medicare Secondary Payer Reporting: A report to CMS about individuals who are entitled to Medicare and covered under a group health plan to help CMS determine whether a plan is primary to Medicare.	**Gravie:** Gravie completes Section 111 reporting on behalf of all plan sponsors quarterly (Jan 8, Apr 8, July 8, Oct 8). Should a Medicare Commercial Repayment Center (CRC) Demand arise out of this process, Gravie will assist in review and response to CMS. **Note to Employer:** Please ensure all Demand correspondence is forwarded to your account manager promptly upon receipt

Other Key Compliance Requirements

Requirement	How Gravie Helps You Comply
Mental Health Parity and Addiction Equity Act (MHPAEA): Requires plans to ensure that financial requirements and treatment limitations for Mental Health/Substance Use Disorder (MH/SUD) benefits are no more restrictive than those for Medical/Surgical (M/S) benefits.	Gravie provides information necessary for plan sponsors to comply with the required analysis demonstrating compliance (i.e., the Non-Quantitative Treatment Limitation (NQTL) analysis).
Machine-Readable Files: Plans must publicly post two machine-readable files containing healthcare pricing data on a website: 1) In-Network Provider Rates for covered services; and 2) Out-of-Network Allowed Amounts and Billed Charges for covered services.	Gravie posts and maintains the required in-network and out-of-network machine-readable files on its website.
Price Comparison Tool: Make a pre-service, self-service price comparison tool accessible to plan members.	Gravie makes a price transparency tool available.

Requirement	How Gravie Helps You Comply
NY Surcharge (New York Health Care Reform Act (NYHCRA)): Requires that certain third-party payors and providers of health care services participate in the funding of certain initiatives through the submission of authorized surcharges and assessments.	Employers will indicate whether they want Gravie to handle this reporting on their behalf as part of onboarding/ implementation. If yes, Gravie will pay surcharge on the employer's behalf.
Other State Requirements (Multiple, Varies): States may have compliance and reporting requirements that impact employer groups.	Gravie proactively monitors state regulatory requirements to determine their applicability to employer health plans. When a new or relevant requirement arises, we'll reach out directly to establish a clear, collaborative process for compliance.

It's important to note that Gravie does not provide legal advice, just compliance assistance. For example, plan sponsors remain responsible for fiduciary decisions, such as determining eligibility of their plan members.

It's also important to note that there may be rare circumstances where your liability may change:

- If the risk pool of enrollees, following enrollment, is materially different than the disclosed information used to assess the risk during underwriting.
- If a material change occurs, as defined in the stop loss policy.
- If the amount paid to fund claims during the plan year is less than the Minimum Annual Aggregate Deductible which is indicated in your Certificate of Coverage. Applies to all level-funded programs.
- If the aggregate claim amount paid by stop loss exceeds the Aggregate Limit of Liability indicated in your Certificate of Coverage. Applies to non-level funded program with aggregate coverage.