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cpi lights



Jon A. Cyganiak, CLU
President

In November 1973 we opened the doors of a small health insurance agency, specializing in employee benefits. 50 years later Cyganiak Planning, Inc. is still going strong.

Over time we have seen many different trends in healthcare.

From the days of traditional indemnity plans to the managed healthcare products like HMOs and PPOs of the 80's and 90's, which we still have to some degree today. Association sponsored health plans and our own SwingMed insurance plan were mainstay products in the beginning. Today we rely on the insurance carriers to develop and market products.

Both state and federal laws have changed during our tenure, but the most impactful has certainly been the Health Insurance Portability and Accountability Act (HIPAA). We have learned to navigate the waters of this policy and continue to be there to support and assist our clients to develop meaningful benefit plans for you and your employees.

The one thing that hasn't changed is our commitment to our loyal clients. From the beginning the cornerstone of Cyganiak Planning, Inc has been to provide expert advice and customer service in a professional manner.

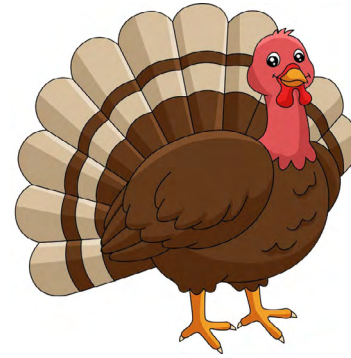
Thank you for trusting us and being there for these past decades. It is because of you that we can celebrate this milestone.

And thanks for continuing to read CPI Lights...

As always, if you would like to submit an idea or comment in writing you can reach me at Jcyganiak@cyganiakplanning.com

Regards,

Jon A. Cyganiak, CLU
President



Thankful Tidings

This year has seen a lot of strife and angst not only in our country, but the world. The wildfire in Hawaii, the Israel/Hamas conflict re-ignited to devastating heights, domestic political discord coupled with a possible government shutdown.

In a time where we need to pull together remember to be kind. Remember to be generous. Remember to be patient. Remember to go the extra distance to help those in need. You don't know everyone's story, so remember to put yourself in their shoes before you judge.

Take this holiday season to remember what you are thankful for. Family and friends. Home and health. Our Cyganiak Planning family wishes you all a wonderful Holiday season and a prosperous 2024.

DATES TO REMEMBER...

Here are some important dates you will need to be aware of if you have Medicare or an Individual Health Plan. Any plan changes for 2024 will need to be completed within these dates.

Annual Enrollment – Medicare

October 15 – December 7: Medicare beneficiaries may change PDP or MA/PD for 2024. Members may also change from Original Medicare to MA/PD or MA/PD to Original Medicare. All effective dates will be January 1, 2024.

Open Enrollment – Individual Plans/FFM

- November 1 – December 15: Individuals can enroll in or change their health insurance plan for January 1, 2024. If you have a current plan and make no changes you will be auto renewed for 2024 plan year.
- December 16 – January 15, 2024: Individuals who missed the December 15th deadline can still enroll in 2024 benefits for a February 1, 2024 effective date.
- January 15, 2024: Last day to enroll in or change a 2023 health plan. After this date, you can enroll in or change plans only if you qualify for a [Special Enrollment Period](#).

Creditable Coverage Notification

Deadline October 15, 2023: employers should have notified all employees regarding your group plan prescription drug Medicare Creditable Coverage status.

Other Dates to keep track of...

1094/1095 form filing: Due February 28 - March 2, 2024 for the 2023 tax year.



E-FILING FOR PARTIAL SELF-FUNDED GROUPS



Steve Flewellen
Agent
CYGANIAK PLANNING INC

The IRS requires that employers filing in 2024 and going forward, for tax years 2023 and beyond, file **ONLY** electronically when they accumulate **10** or more forms:

- | | | |
|--------|----------|----------|
| * W-2 | * 1094-B | * 1095-B |
| * 1099 | * 1094-C | * 1095-C |

Regulations section 301.6011-2 was amended by Treasury Decision 9972, published February 23, 2023, to apply to returns due on or after January 1, 2024.

New electronic filers will need to follow specific steps to E-file.

- A. Apply for your organizations Transmitter Control Code (TCC for the IRS AIR System)
 1. Each Responsible Official (minimum of two) and Contact (minimum of two) within the firm or organization must complete the e-Services Secure Access Authentication process before the application can be submitted. Responsible Officials may also be Contacts.
 2. Complete all necessary pages on the ACA Application for TCC.
 3. All Responsible Officials must sign the Application Submission Page with their e-Services PIN to submit the application.
 4. After the application is completed and submitted, the IRS will perform checks before assigning the firm or organization their TCC.
 5. Once the application is completed, all Responsible Officials are authorized to access the application and modify the application as necessary.

Here is the process for completing the [TCC Application tutorial](#).

- B. Once you receive the TCC, you must test with the IRS before you can e-file. Testing requires approved software (one test required). Here is the process for completing the [Communications Test tutorial](#).

Employers that have submitted 1094/1095 forms in the past using paper and mailing them to the IRS need to consider how many total forms they will be filing with the IRS in 2024. Ultimately the ten-form aggregate threshold will require electronic filing for most employers. If you will file ten forms or more, you should either register with the IRS as soon as possible so you may e-file your 1094/1095 forms yourself or contact your accountant/payroll company or another vendor to e-file on your behalf.

The information contained in this article is intended for educational purposes and to provide a general understanding of regulatory events, legislative changes, and the law – not to provide specific legal advice. Employers are advised to discuss and/or receive counsel from their licensed legal or accounting professional, prior to implementing any new policy or policy change.

Sources include information from www.myhrws.com www.trustring.com www.irs.com <http://nabipcompliance.org/2023/10/10/electronic-filing-threshold-reduced-in-draft-2023-form-1094-and-1095-instructions/>

GAG CLAUSE PROHIBITION COMPLIANCE ATTESTATION

What is it?



Eric Pierson
Sales Associate
CYGANIAK PLANNING INC

Groups offering health insurance and individual health insurance coverage (insurers) must annually submit a Gag Clause Prohibition Compliance Attestation to the Departments of Labor, Health and Human Services, and the Treasury. The attestation is to confirm compliance with Internal

Revenue Code 9842, ERISA section 724, and Public Health Service Act section 2799A-9.

These provisions prohibit plans and insurers from entering in agreements that prevent the disclosure of cost or quality of care information or data, and certain other information, to active or eligible participants, beneficiaries, and enrollees of the plan or coverage, plan sponsors, or referring providers, or restrict the plan or issuer from sharing such information with a business associate, consistent with applicable privacy regulations.

Simply put, a gag clause is a provision of a contract that prevents the sharing of specified information. To ensure compliance with the gag clause prohibition, the CAA (Consolidated Appropriations Act) requires group health plans and health insurance issuers to attest annually that they have not entered in an agreement that contains a prohibited gag clause.

Most insurance plans do not have a Gag Clause and insurance companies are doing this reporting on behalf of the business offering their health insurance. However, this reporting is the responsibility of the employer, and if the insurance provider is not doing the reporting, the employer will need to do the attestation on the CMS website at <https://www.cms.gov/CCIIO/Programs-and-Initiatives/Other-Insurance-Protections/CAA> using the link on the left "Gag Clause Prohibition Compliance Attestation". Employers should be able to find out from their insurance provider or TPA if there is a Gag Clause in their contract.

Please contact your agent or insurance provider to verify whether the insurer is attesting, or if the business will need to submit it. The deadline for reporting is December 31st, 2023. Thereafter, reporting entities must attest annually by December 31st. Failure to report could subject the business to a fine from the IRS.

Source: <https://www.cms.gov/files/document/gag-clause-prohibition-compliance-attestation-instructions.pdf>

2024 HSA/FSA CONTRIBUTION LIMITS

Every year the IRS evaluates, and usually increases, Health Savings Account contribution and benefit limits. 2024 is no exception. Here are the new amounts for the upcoming year so you can adjust your contributions accordingly.

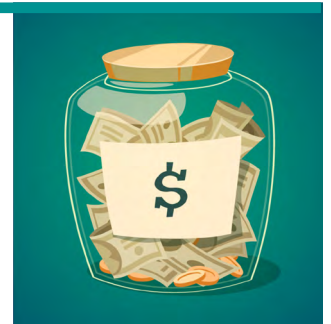
	Single	Family
Maximum Contribution Limit	\$4,150	\$8,300
Minimum Deductible Requirement	\$1,600	\$3,200
Maximum Out-of-Pocket Expense	\$8,050	\$16,100
Catch-Up Contribution (For those 55 and older)	\$1,000	\$1,000

Annual limits for 2024 have gone up slightly more than in the past. The annual deductible has increased \$100 for singles and \$200 for families, and the maximum out of pocket expense, have gone up \$550 for singles and \$1,100 for families. The maximum contribution limits, which is the most that can be deposited into an HSA, increased \$300 for singles and \$550 for families.

Employers with a Post-Deductible HRA should confirm that the employee front-end deductible responsibility is at least \$1,600 for single coverage and \$3,200 for family coverage to maintain participant's eligibility for HSAs in 2024.

And if you also offer a HealthCare Flexible Spending Account (FSA) no medical expense are eligible for reimbursement through it. However, employees who participate can contribute up to \$3,200 for eligible non-medical expenses.

Remember that the limits for HSA plans do differ from out-of-pocket limits for health insurance plans subject to the Affordable Care Act. The ACA cost-share limits are actually higher than what the HSA regulations mandate.



ACA AFFORDABILITY PERCENTAGE DROPS



Jon I. Cyganiak
Agent/Vice President
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The IRS recently released [Revenue Procedure 2023-29](#), which declared that the Affordable Care Act (ACA) benchmark for determining the affordability of employer-sponsored health coverage will significantly decrease to 8.39% of an employee's household income for the 2024 plan year. This almost three-quarters of a percentage point is a significant decrease for several reasons.

Under the ACA, employer-sponsored minimum essential coverage (MEC) is affordable if an employee's required contribution for the lowest-cost, self-only option with minimum value does not exceed an annually indexed percentage of the employee's household income. Employees and their family members eligible for minimum value, employer-sponsored MEC that meets the affordability standard cannot receive premium tax credits or cost-sharing reductions for public exchange coverage.

For Applicable Large Employers (ALEs), this decrease will mean they must contribute a larger share of their employees' premiums to meet the affordability requirement. The significance of yet another decrease in the percentage cannot be overlooked.

Setting new health plan premium contributions for the 2024 plan year will take some thoughtful consideration from employers who hope to maintain a complete benefits package without creating a financial burden.

An ALE wants to comply with the new affordability requirements to avoid the significant monetary penalties attached to non-compliance. And just as a helpful reminder, non-calendar year plans will continue to use 9.12% to determine affordability in 2024 until their new plan year starts.

Source: MZQ Consulting. <https://nabipcompliancencow.org/2023/08/28/aca-affordability-percentage-drops-to-a-new-low-for-2024/>

In the SPOTLIGHT

A WHO'S WHO IN SUCCESSFUL BUSINESS

Cyganiak Planning, Inc. would like to recognize the physical growth, as well as the accomplishments of our clients. If you are expanding your human resources or your facility, please let us know. If you are participating in some community outreach or volunteer effort or have recently been recognized with an award, please contact your agent (262-783-6161) and we will share your achievements with our readers.

CONGRATULATIONS to our clients who have been recognized in the 2023 BizTimes Media/MMAC Future 50 Companies.

The Future 50 program recognizes the fastest-growing, privately owned companies in the eight-county southeastern Wisconsin area that have been in business for at least three years and have shown significant revenue and employment growth.

According to BizTimes this year's 50 companies have projected 5,269 employees and \$3.96 billion in annual sales for 2023, an increase of more than 60% on both measures.

"Fast-growing companies are innovators and job creators. They develop leaders and buy goods and services in the market, fostering a healthy local economy. Of the 50, twenty-four are in manufacturing, logistics, distribution, or wholesale trade and 10 are in construction.

Remarkably, more than half of the 50 companies were founded before 2000, which is great to see. You don't have to be a startup to be a fast-growing company.

**American Construction Services, Inc.
Great Lakes Rubber and Supply
Mars Solutions Group**



LEGISLATIVE UPDATES



FEDERAL

Social Security recipients will receive a much smaller increase to their monthly payments next year than they received in 2023. The Social Security Administration [announced on October 12th](#) that beneficiaries will see a 3.2% cost-of-living adjustment (COLA) in 2024, down from the 8.7% increase in 2023. The increase also falls short of the 3.7% rate of inflation [reported by the Consumer Price Index](#). The increase raises average monthly retiree benefits by \$57.30, [according to The Senior Citizens League](#).

The 2023 COLA was the highest in more than four decades, and a 3.2% increase is still higher than the 20-year average.

The Patient-Centered Outcomes Research Institute (PCORI) fee, established by the ACA and currently in place through 2029, will be [\\$3.22](#) for plan years ending between October 1, 2023, and September 30, 2024. These fees are for self-funded plans and are assessed on all covered lives, not just employees.

MEDICARE 2024 CHANGES

Every year Medicare reviews the premiums, surcharges, and copayments it assesses beneficiaries. As is the usual case, the 2024 numbers are up from last year's charges.

The increase in the 2024 Part B standard premium and deductible is mainly due to projected increases in health care spending and, to a lesser degree, the remedy for the 340B-acquired drug payment policy for the 2018-2022 period under the Hospital Outpatient Prospective Payment System.

In 2024 the annual Part B deductible will again see a slight increase to \$240 while the Part A Inpatient Hospital deductible increases to \$1632. The daily copays for inpatient stays beyond the 60th day, skilled nursing home stays, and lifetime reserve days have also increase slightly from 2023 charges.

Part B premiums, including IRMMA surcharges have again increased from 2023. Those with higher incomes have varying surcharges to their Part B and Part D premiums. Incomes are based on 2022 tax returns.

- \$174.70/month: less than or equal to \$103,000 (single)/less than or equal to \$206,000 (married)
- \$244.60/month: \$103,001-\$129,000 (single)/\$206,001-\$258,000 (married)
- \$349.40/month: \$129,001-\$161,000 (single)/\$258,001-\$322,000 (married)
- \$454.20/month: \$161,001-\$193,000 (single)/\$322,001-\$386,000 (married)
- \$559.00/month: \$193,001-\$500,000 (single)/\$386,001-\$750,000 (married)
- \$594.00/month: more than \$500,000 (single)/more than \$750,000 (married)

Part D fees are also slightly higher in 2024 compared to 2023.

- Plan premium: less than or equal to \$103,000 (single)/less than or equal to \$206,000 (married)
- \$12.40 + plan premium: \$103,001-\$129,000 (single)/\$206,001-\$258,000 (married)
- \$32.10 + plan premium: \$129,001-\$162,000 (single)/\$258,001-\$322,000 (married)
- \$51.70 + plan premium: \$161,001-\$193,000 (single)/\$322,001-\$386,000 (married)
- \$71.30 + plan premium: \$193,001-\$499,000 (single)/\$386,001-\$749,999 (married)
- \$77.90 + plan premium: more than \$500,000 (single)/more than \$750,000 (married)



THE Q & A CORNER



Aaron Bielawski
Agent
CYGANIAK PLANNING INC

The Cyganiak Planning Q & A Corner takes questions that our agents and sales/service associates were asked and provides detailed guidance to help you understand and resolve similar scenarios at your workplace, should they ever arise.



QUESTION: My client has an employee who was eligible for medical insurance and benefits, however, they did not enroll during open enrollment. They are getting married this weekend. Would this be considered a qualifying event for them to get added on?

ANSWER: The qualifying event of marriage is a HIPAA Special Enrollment Right to allow the employee to enroll in the employer group health plan coverage, if not previously enrolled, and add the spouse to coverage.

HIPAA Special Enrollment Rights are applicable to all employer group health plans and HIPAA Special Enrollment Rights language should be in the employer Section 125 plan document or insurance company documents that discuss change of benefits mid-year.

Besides newly eligible spouses, employees may enroll newly eligible stepchild(ren) at the time of marriage.

Disclaimer: Guidance provided above is opinion gathered from Cyganiak Planning Inc.'s Human Resources Advocacy Firm based on their research of specified topics and cannot be considered as legal opinion or legal fact. Please consult with your legal counsel for any specific and final guidance in any situation pertaining to your own company.

CAN EXERCISE LOWER YOUR DEATH RISK?

We all know exercise is good for you, but recent research shows that combining a mix of various exercise styles can help lower certain mortalities. The study evaluated moderate aerobic physical activity (walking, swimming, or cycling), vigorous aerobic physical activity (running, swimming fast, hill cycling), and muscle-strengthening activity (weightlifting, body-weight exercise).



The optimal combination for lowering the risk of:

- **all-cause mortality** — was greater than 0–75 minutes each week of MPA together with over 150 minutes of VPA, plus two or more MSA sessions each week.
- **cardiovascular disease (CVD) and cancer mortality** — was more than 150–225 minutes of MPA, more than 0–75 minutes of VPA, plus two or more MSA sessions.

More than 300 minutes of moderate aerobic activity coupled with increased vigorous activity at least 2+ session of muscle strengthening showed 50% reduction in overall mortality and cancer mortality and 3x reduction of cardiovascular mortality.

Moderate aerobic activity is easier as we age, but the study shows that muscle strengthening exercise helps maintain, or improve, muscle mass which is beneficial for dozens of chronic conditions.

No matter what type of physical activity you chose plan and stick to it. Push yourself to do more and you will be on your way to a healthier, and longer life.

Source: <https://www.medicalnewstoday.com/articles/the-best-type-and-combo-of-exercise-to-lower-death-risk>