

Bolton

Insight

October 2020

Flu Season and the Covid-19 Pandemic

As we approach the winter months, the COVID-19 pandemic isn't the only public health concern. According to the Centers for Disease Control and Prevention (CDC), flu activity peaks each season between December and February. [READ MORE](#)

Final Forms and Instructions for 2020 ACA Reporting Released

The IRS released final 2020 forms and instructions for reporting under Internal Revenue Code (Code) Sections 6055 and 6056. These forms and instructions include several changes and clarifications related to 2020 reporting. [READ MORE](#)

HHS Renews COVID-19 Public Health Emergency

On Oct. 2, 2020, the Department of Health and Human Services (HHS) renewed its determination that a public health emergency exists as a result of the coronavirus (COVID-19) pandemic, **effective Oct. 23, 2020**. This public health emergency, originally declared to have existed as of Jan. 27, 2020, was previously renewed on April 21, 2020, and July 23, 2020. [READ MORE](#)

DOL Proposes Changes to FLSA Independent Contractor Classification

On Sept. 22, 2020, the U.S. Department of Labor (DOL) announced a proposed rule to clarify how employers should classify their workers as either employees or independent contractors. [READ MORE](#)

Summary of Benefits and Coverage (SBC)

Health plans and health insurance issuers must provide an **SBC** to applicants and enrollees to help them understand their coverage and make coverage decisions. Plans and issuers must provide the SBC to participants and beneficiaries who enroll or re-enroll during an open enrollment period, as well as to participants and beneficiaries who enroll other than through an open enrollment period (including individuals who are newly eligible for coverage and special enrollees).

The SBC must follow strict formatting requirements. The Departments of Health and Human Services, Labor and the Treasury (Departments) provided templates and related materials, including instructions and a uniform glossary of coverage terms, for use by plans and issuers. On Nov. 8, 2019, the Departments issued an [updated template and related materials](#) for the SBC. These materials are required to be used for plan years beginning on or after Jan. 1, 2021. **This means that the updated template must be used for the 2021 plan year's open enrollment period.**

How the 2020 Presidential Election Could Affect Health Care

The 2020 presidential election could bring significant changes to the U.S. health care system. Democratic presidential nominee Joe Biden and President Donald Trump hold varying views on topics such as the future of the Affordable Care Act (ACA), which the U.S. Supreme Court will consider in November 2020. [READ MORE](#)

2021 Health FSA Contributions Cap Announced

On October 27, 2020, the IRS released [Revenue Procedure 2020-45](#) which indicates an employee's annual pre-tax salary reduction contributions to a health FSA must be limited to \$2,750 for 2021. The maximum carryover for unused amounts, if permitted by the plan, remains at \$550 for 2021.

Please Note: The information contained in this letter is not legal advice and should not be relied upon or construed as legal advice. This letter is for general informational purposes only and does not purport to be complete or cover every situation. Please consult your own legal advisors to determine how these laws affect you.