



# Custom Design Benefits

Innovative Cost Containment Solutions for Employee Benefits



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2020 Customer  
Conference

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Should You  
Consider  
an ICHRA?

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Dialysis  
Pay-to-Play  
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COVID-19  
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*And More*

SECOND ISSUE  
**NEWSLETTER**

**2020**

# Executive Spotlight

## Letter from Julie



Greetings,

Needless to say, the novel coronavirus, COVID-19, has presented challenges for everyone. Like many of you, Custom Design Benefits transitioned to working remotely and are now transitioning back into the office, following the guidelines set forward by scientific and political leadership.

I want you to know that we're here to help in this time when you might need us more than ever. The Custom Design Benefits team is delivering the same exceptional customer service and benefits solutions for your company. We are making sure to share new developments and information that is relevant to you as soon as we can—via email or on the new [COVID-19 Resource Page on our website](#).

In this newsletter edition, you'll learn about a new resource of your own: COVID-19 reporting available in your Executive Analytics dashboard. Compliance Corner shares important extensions made to timeframes related to employee benefit plans from the IRS and EBSA.

Especially now, we are thankful for your trust in us. We hope that all our businesses can return to normal operations as soon as we safely can.

Best regards,

Julie D. Mueller  
President & CEO

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# Important Information About COVID-19

*At Custom Design Benefits, our top priority is the health and well-being of our members.*

We have been and continue to monitor the COVID-19 outbreak closely. We wanted to share the latest news and information that affects your benefits plan.

## COVID-19 Testing and Treatment

Member costs associated with COVID-19 testing have been waived. Some clients are also waiving member costs associated with treatment for the virus.

## Emergency Paid Sick Leave

The recently passed CARES ACT expands FMLA provisions which may affect your business's health plan. Contact us to learn more about these potential changes.

## Over the Counter Drug Purchases

The CARES ACT permanently reinstates coverage of OTC (Over the Counter) drugs and medicines as eligible for reimbursement from FSAs, HRAs, HSAs, and Archer MSAs without need for a prescription. It further expands the definition of qualified OTC items to include menstrual care products. This change is effective for expenses incurred on or after January 1, 2020.

Because Custom Design Benefits is considered an essential business under Ohio Governor DeWine's stay-at-home order, we remain ready and available to (safely) support you and help answer your benefits questions. Visit [www.CustomDesignBenefits.com](http://www.CustomDesignBenefits.com) to find more information and resources related to COVID-19 and changes to your benefits plans.

## COVID-19 RESOURCE PAGE

At Custom Design Benefits, the health and well-being of our members is our top priority. That's why we've built a page dedicated to providing the latest information related to the COVID-19 pandemic. It's critical that you and your employees know the precautions and safety measures you can take to protect yourself and your families.

VISIT THE SITE

## OUR RESOURCE PAGE HAS

Updates to Custom Design Benefits services related to COVID-19

Links to state departments of health information and guidelines specific to your location

Tips to protect you and prevent spreading the virus

Links to CDC resources, including symptoms of the virus

Frequently Asked Questions about COVID-19

# Compliance Corner



## Extension of Plan Deadlines During COVID-19 Outbreak

On May 4, 2020, the IRS and EBSA issued a joint rule extending certain timeframes related to employee benefit plans.<sup>1</sup> This rule is applicable to group health plans, disability and other welfare plans, and pension plans subject to ERISA and the Internal Revenue Code. In addition, HHS plans to adopt a similar policy to extend timeframes that would apply to non-Federal governmental group health plans subject to the Public Health Service Act.<sup>11</sup>

**The rule requires Plans to disregard the period from March 1, 2020 until 60 days after the end of the current National Emergency (Outbreak Period) when calculating the timeframes listed below:**

- The applicable period (30 or 60 days) for an individual to request special enrollment;
- The 60-day election period for an individual to elect COBRA continuation coverage;
- The date for an individual to make COBRA premium payments;
- The date for an individual to notify the Plan of a qualifying event or determination of disability;
- The date for an individual to file a benefit claim under the Plan;
- The date for a Claimant to file an appeal of an Adverse Benefit Determination under the Plan;
- The date for a Claimant to file a request for external review after receipt of an Adverse or Final Internal Adverse Benefit Determination; and
- The date for a Claimant to file additional information related to a request for external review after a determination that the initial request was incomplete.

This means that during the Outbreak Period, the clock is not running on any of these timeframes. For an event that occurred prior to March 1, 2020, if the applicable timeframe was not satisfied prior to March 1, the timeframe is effectively stopped as of that date, and will not be picked up again until after the end of the Outbreak Period.

# Extension of Plan Deadlines During COVID-19 Outbreak

This rule is applicable retroactively. It is important for all Plans to review any actions taken related to the listed items since March 1, 2020, as corrections may be necessary. Additionally, as the National Emergency is ongoing, the end of the Outbreak Period is not established at this time. It is important to note that while best practice dictates amending plan documents to align with these changes, ERISA Section 518 states that a Plan is not out of compliance based solely on the fact that it is extending deadlines as described above.

**The examples provided below are focused specifically on COBRA enrollment, however additional examples for each of the listed items can be found in the final rule:**

**Employee A** is terminated and provided with a COBRA notice on March 1, 2020. The COBRA election period is 60 days. However, as the termination occurred during the Outbreak Period, the 60 days will not begin to run until after the end of the Outbreak Period.

**Employee B** was terminated and provided with a COBRA notice on February 1, 2020. The COBRA election period is 60 days. At the start of the Outbreak Period, only 28 days had passed. Employee B can elect COBRA coverage at any point during the Outbreak Period, and the remaining 32 days of the election period will not run until after the end of the Outbreak Period.

Additional information can be found in a helpful FAQ prepared by EBSA.<sup>III</sup>

CDB will work with your Plan to ensure compliance with this new rule, in addition to all other changes necessitated by COVID-19.

*I Extension of Certain Timeframes for Employee Benefit Plans, Participants, and Beneficiaries Affected by the COVID-19 Outbreak, 85 FR 26351.*

*II At the time of writing, no additional guidance was provided by HHS.*

*III COVID-19 FAQs for Participants and Beneficiaries, <https://www.dol.gov/sites/dolgov/files/EBSA/about-ebsa/our-activities/resource-center/faqs/covid-19.pdf>.*



# See what all the BUZZ is about:

2020 Customer Conference - Wednesday, August 26



We're hosting our annual Customer Conference for later this year and hope to see you there! Attendees will get exclusive updates and insights into the latest Custom Design Benefits services designed to make your healthcare plan the bee's knees.

As always, we're focused on how we can help and support our clients, and will be sharing updates on subjects that you need to know. Healthcare continues to change, and we know you're faced with new challenges and questions about how best to take care of your business and employees.

*BEE sure to check your email for your invitation, including location details and the full agenda!*

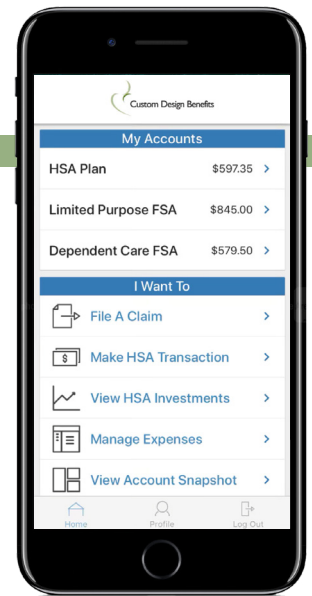


# Check It Out

## Our FSA Mobile App

We hope your employees are using our FSA mobile app! If they're enrolled in our FSA, the mobile app is a great tool for employees to manage their benefits on their own. Employees can check balances and file claims directly from the app, but that's not all. The app's built-in scanner can verify whether an item is eligible for purchase with flexible spending money—which is useful with the recent changes to include over-the-counter items again!

Employees can download the app on Apple and Android devices and start tracking their FSA immediately.



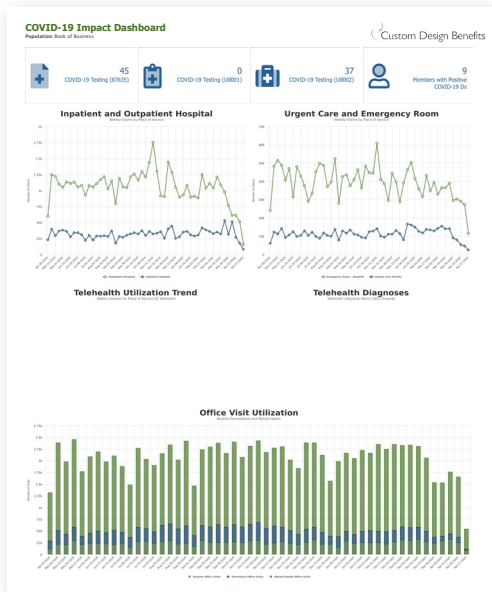
## “Pay-to-Play” Dialysis Scheme Could Affect Self-Insured Plans

A recent whitepaper from Renalogic sheds light on an alleged “pay-to-play” scheme from dialysis providers. Self-insured plans could be among those affected by this scheme, writes Renalogic’s John Christiansen.

A whistleblower’s report alleged that dialysis providers have been paying members’ premiums through the American Kidney Fund, which could lead to members losing financial protections by not enrolling in Medicare and remaining on plan coverage beyond the end of the Medicare coordination period. Plus, members may have been directed to higher-cost dialysis providers despite a preference for lower-cost nonprofit providers.

At Custom Design Benefits, we follow the latest news in the industry to help fight back against issues exactly like this. If you want to learn more about this scheme, contact us.

# Executive Analytics

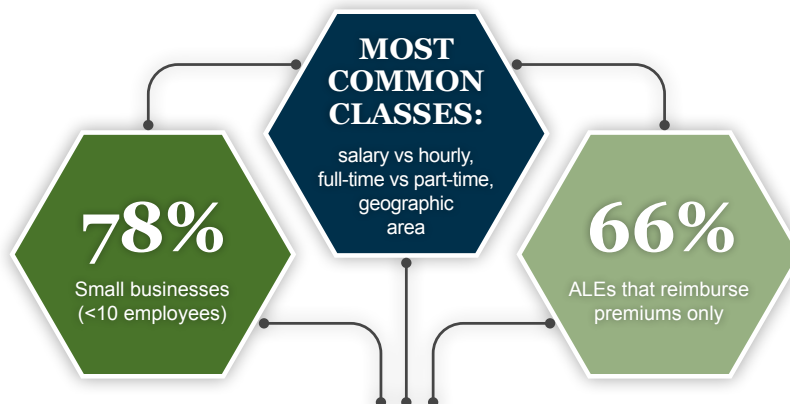


New to the Executive Analytics tool this month are COVID-19 Impact Reports which show how your health plan has been affected by the coronavirus. You can see utilization metrics, claim information, and more all broken down into an easy-to-understand visualization.

To get the COVID-19 Impact or any Executive Analytics report, log in to the tool and click on Reports. You'll then be able to browse through or search for reports and bundles and run those reports immediately. You can also schedule those reports to be generated for automated delivery to you—be sure to save reports@deerwalk.com in your Contacts to ensure delivery. If you have any questions or need help, please contact your Account Manager.

## Should Your Business Consider Offering an ICHRA?

Beginning this year, employers can offer Individual Coverage Health Reimbursement Arrangements (ICHRA) to their employees. ICHRAs are a means for employers to reimburse eligible workers for premiums (and other costs) for health insurance plans that workers buy in the individual marketplace. A recent BenefitsPRO article breaks down the early results of this novel benefit program.



***Could an ICHRA be right for your business?***

Let your Account Manager know you want to learn more about this new and exciting benefit option.



# The Phia Group

Leads the Way in Subrogation

## Custom Design Benefits Subrogation Highlights

### CURRENT STATS

**253** Current Claim Investigations

**92** Current Active Cases

**\$947,853** Expected Recoveries

#### THE PHIA GROUP

1 ACTIVE CASE  
**139** per  
MEMBER LIVES

RECOVERED  
per  
MEMBER LIVES **\$31**

VS



#### INDUSTRY AVERAGE

1 ACTIVE CASE  
**500** per  
MEMBER LIVES

RECOVERED  
per  
MEMBER LIVES **\$5**

### CUSTOM DESIGN BENEFITS RECOVERY RATE OF CASES

- Total Claims Paid on Cases **\$2,254,647**
- Total Recovered by Phia on Cases **\$1,511,594**
- CDB Recovery % **67%**
- Phia Average Recovery % **61.9%**

*If you would like to see your group's subrogation report, contact your Account Manager.*

# Creating the WOW!

Our client, Bobcat Enterprises, sent Sue Frank, one of our Customer Support Specialists, flowers as thank you for her outstanding customer service. We love our clients and delivering amazing service.

*Great job, Sue!*



## Let's Connect!

*Are you following Custom Design Benefits on LinkedIn?*

**STAY UP TO DATE** on all the exciting things happening around CDB!

Thanks for reading this edition of the Custom Design Benefits Newsletter!  
To learn more about products or announcements featured, call 1.800.598.2929.



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