Notice 2015-16

CERIDIAN
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Ceridian HCM
3311 East Old Shakopee Road
Minneapolis, MN 55425

May 15, 2015

Via E-mail

CC:PA:LPD:PR (Notice 2015-16)
Room 5203
Internal Revenue Service
P.O. Box 7604, Ben Franklin Station
Washington, DC 20044
Notice.comments@irscounsel.treas.gov

Re: Comments on the Excise Tax on High Cost Employer-Sponsored Health Coverage, Notice 2015-16

Dear Sir or Madam:

Ceridian appreciates the opportunity to comment on Notice 2015-16 regarding the Section 4980I excise tax on high cost employer sponsored health coverage. Ceridian is responding to the request for comments by the Treasury Department ("Department") contained in Notice 2015-16 regarding the question of whether an Employee Assistance Program ("EAP") should be excluded from the definition of applicable coverage under Internal Revenue Code ("Code") Section 4980I. Ceridian writes to express its support for this exclusion. In addition, Ceridian writes to urge the Department to exclude wellness programs from applicable coverage under Section 4980I.

By way of background, Ceridian is a leader in human capital management serving over 25 million users in over 50 countries. We deliver a wide range of solutions including payroll, workforce management, benefits administration, talent management, tax services, benefits continuation services, EAPs and wellness programs. Our EAP services support more than 35 million individuals across the United States and Canada.

Ceridian believes that employers should not be penalized for establishing and maintaining programs intended to improve employees' general health that do not providing significant medical care. Ceridian supports the Department's proposed exclusion of EAPs that satisfy the conditions for an excepted benefit under recently finalized regulations from the definition of applicable benefits (78 Fed. Reg. 77632 (Dec. 24, 2013)).

Code Section 4980I and Notice 2015-16 are silent as to the treatment of wellness programs for purposes of the excise tax. Wellness programs are very similar to other types of excepted benefit group health plans, such as limited scope dental and vision benefits, which are not considered applicable benefits under Section 4980I. We urge the Department to exclude wellness programs from applicable coverage using its regulatory discretion.

We appreciate the opportunity to comment on Notice 2015-16. Please feel free to contact me should you have any questions or need any further clarification regarding our position with respect to the comments set forth above.

Thank you for your consideration of these comments.

Sincerely,
Ceridian HCM

Lisa Clapes
Vice President, Corporate Counsel & Chief Privacy Officer