

Notice 2015-16

MAR 18 2015

From: Christina Duron <cduron@rhcc.net>
Sent: Tuesday, March 17, 2015 10:04 AM
To: Notice Comments
Subject: "Notice 2015-16"

To Whom it May Concern;

As a director of Human Resources and in dealing with the various insurance carriers and brokers over the course of 25+ years, I have discovered upon experience and listening to my employees' complaints that their deductibles are getting to a point where it is not feasible for them to maintain coverage, or their prescription co-pay's no longer cover certain tier-level drugs, or that they must meet an obscene deductible before the insurance carriers will consider paying a portion of these prescription charges.

As a result of the onslaught of changes due to the PPACA, insurance carriers are finding and using these loopholes in order to maintain any profits that they can without being in violation of the ACA.

Now to add insult to injury, the IRS has decided that it is best to not only add an "excise tax" to those already obnoxiously overpriced plans, but now the IRS wishes to impose that "Cadillac Tax" on other long approved provisions such as;

- Health Flexible Spending Accounts (FSAs)
- Health Savings Accounts (HSAs)
- Archer Medical Savings Accounts (MSAs)
- On-site medical clinics
- Coverage for a specified disease or illness
- Hospital indemnity or other fixed indemnity insurance
- Federal/State/Local government-sponsored plans for its employees
- Possibly other types of coverage including executive physical programs and Health Reimbursement Accounts (pending confirmation in future guidance)
- Retiree coverage
- Multi-employer plans
- COBRA (possibly)
- Dental and Vision Benefits
- Employee Assistance Programs

What is the purpose of maintaining benefits for our employee's and their families if we as an organization or the individuals themselves are going to be "taxed to death" and/or lose benefits that were previously available without penalty (proactive participants)?

Typically under COBRA, the former employee takes on 100% of the premium amounts, if employers will be required to pay a portion of the COBRA premiums it can potentially bankrupt small employers. Additionally, do you know how these changes affect non-profit employer's?

These moves disincentivizes employers from reaching the minimum threshold (FTE's) to offer benefits to employees and will keep new potential business/employer's from wanting to do business in the U.S, and will keep individuals from purchasing coverage above and beyond basic medical care (mostly catastrophic coverage). Not only do these changes negatively affect businesses, but now it will exacerbate the number of bankruptcies due to medical expenditures from the current 83% to 150+%. How are these moves/changes supposed to help support the U.S. economy? And how does this "protect and is this affordable care for patients (our employees), hence the name PPACA?

Kind Regards & Blessings,

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