

HEALTH BENEFITS E-NEWS

*Department of Human Resource
Management
Office of Health Benefits*

January 30, 2014

Health Benefits Open Enrollment Will Soon Be Here

Open Enrollment for health care and flexible spending accounts (FSAs) is scheduled for May 1 through May 23, 2014. We are currently preparing a thorough communication and education program. Nothing has been finalized. More details will be available in coming weeks.

Agency Request for Assistance Form Now Fillable Online

The Office of Health Benefits has revised the Agency Request for Assistance Form to enable Benefits Administrators to complete the required information online. The form is available on the DHRM Benefits Administration page at www.dhrm.virginia.gov/resources/benefitsadmin/RequestForAssistanceForm.pdf. It can be completed online, saved and sent by email to ohb@dhrm.virginia.gov or printed and faxed to (804) 371-0231.

Questions on Value of Health Care Taxability

There have been questions whether employees will be taxed on the value of health care reported on W-2 forms as required by the Affordable Care Act (ACA). While employers are required to report the value of health care, it is not taxable to the employee.

Here is a Q&A from the Internal Revenue Service (IRS) website:

Q1. Does the cost of an employee's health care benefits shown on the Form W-2 mean that the benefits are taxable to the employee?

A. No. There is nothing about the reporting requirement that causes or will cause excludable employer-provided health coverage to become taxable. The purpose of the reporting requirement is to provide employees useful and comparable consumer information on the cost of their health care coverage.

Below are two IRS website links on the requirement that may be helpful:

<http://www.irs.gov/uac/Employer-Provided-Health-Coverage-Informational-Reporting-Requirements:-Questions-and-Answers>

<http://www.irs.gov/uac/Affordable-Care-Act-Tax-Provisions>

Employee Assistance Program Resources

The Employee Assistance Program (EAP) is offered by all of the Commonwealth's health plans and continues to provide valuable services to enrolled employees and retirees, their covered dependents, and members of their households. Services range from counseling on work and relationship issues to financial and legal consultations. Please see the attached fact sheets on resources for managers and supervisors, and EAP services for employees. These will be posted soon on the DHRM website under HR Community/Benefits Administration/Resource Center/Publications.

Please do not reply to this e-mail. You may send inquiries to the Office of Health Benefits mailbox at ohb@dhrm.virginia.gov.