

COWDEN TIMES

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[Compliance Overview: Key HSA Features - 2019 Compliance](#)

A Health Savings Account (HSA) is a type of medical savings account that has become popular due to the tax-advantages it provides for those enrolled in a High Deductible Health Plan (HDHP). HSAs are used to pay for expenses covered under the HDHP, until the deductible is met, as well as qualified medical expenses not covered under the HDHP. This “Compliance Overview” summarizes key HSA features, such as tax benefits, eligibility requirements, and contribution limits for 2019.

Contact your Cowden [representative](#) for more information on this or other compliance issues.

[Read Compliance Overview Here](#)

[Benefits Brief: 2019 Health Plan Compliance Calendar](#)

The attached Benefits Bulletin details important deadlines for upcoming 2019 deliverables. This document outlines various important benefits compliance dates beginning January 31, 2019 when employers that filed 250 or more W-2s in the prior year must report the cost of employer-sponsored group health coverage in Box 12 for W-2 reporting to October 14, 2019 when the Medicare Part D Notice of Creditable Coverage document must be provided to all employees who are Medicare Part D eligible who participate in an employer group plan.

Contact your Cowden [representative](#) for more information on this or other compliance issues.

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[Industry News](#)

[ACA Compliance Bulletin: Impact of Individual Coverage on the ACA's Pay or Play Rules](#)

Federal agencies have proposed a rule to expand the usability of Health Reimbursement Accounts (HRAs). As a result, the Internal Revenue Service (IRS) issued Notice 2018-88 to begin developing guidance on the impact of the new rule on various federal requirements. The aforementioned federal requirements are the Section 4980H employer shared-responsibility rules under the Affordable Care Act (ACA), also known as the employer mandate or *pay to play* rules, and the nondiscrimination requirements in Internal Revenue Code Section 105(h). This “ACA Compliance Bulletin” provides background on the proposed rule, along with summaries of the federal requirements and how Notice 2018-88 proposes to apply the rule to them. **You may not rely on any guidance provided in Notice 2018-88.** If adopted, the proposals in the notice

would not take effect until January 1, 2020.

Contact your Cowden [representative](#) for more information on this or other compliance issues.

[Read ACA Compliance Bulletin here](#)

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[Meet Our Team](#)

Our team consists of 26 employees and in each newsletter, we take the time to highlight some of our employees. To see our entire team [click here](#).



Zachary Kuhn Analyst

What would you most like to tell yourself at age 13? Confidence is key; if you believe in yourself, you'll go further than you could ever imagine.

Where is the best place you've traveled to and why? Every summer, I go fishing with my grandfather and brother in Shining Tree, Ontario. It's amazing to get to spend time with family while being secluded from everything.

Margaret A. Lacek EA,



FSA, FCA, MAAA Senior Consultant and Actuary

What would you most like to tell yourself at age 13? Be more adventurous and worry less about not knowing what to do.

Where is the best place you've traveled to and why?

The best place I've ever traveled to was to the Arches National Park in Utah. It was the first time I was ever out West and got to see the monumental, stupendous scenery.



Patricia Tosto Senior Consultant

What would you most like to tell yourself at age 13? Be more adventurous and take more risks.

Where is the best place you've traveled to and why? My husband and I took a camping (in a tent) road trip from San Francisco, CA, up the West Coast, and across the NorthWestern states before heading east. We then stopped in PA for a week and continued up the Eastern Seaboard, staying at B&Bs along the way, eventually ending up in Bar Harbor, Maine. The scenery was very beautiful (spectacular in some places) and we visited so many cool towns along the way, all of which made it an experience I will always

cherish.



Jacqueline Depolo Vice President, Health and Benefits

What would you most like to tell yourself at age 13? Don't sweat the small stuff.

Where is the best place you've traveled to and why? I visited California for a family wedding and we were also able to explore Yosemite and other areas with our extended family.

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What's Dinkin Thinkin'?



Elliot Dinkin is equally comfortable whether he is in a courtroom providing testimony or in a CFO's office providing strategic counsel. The 25-plus-year veteran of the actuarial, compensation, and employee benefits fields continues to make his mark.

Today, as President and CEO at Cowden Associates, Inc., Elliot provides leadership to position the company at the forefront of the industry. You can learn more about changes in actuarial, benefits, management, and compensation policies by following [Elliot's blog](#) or on Twitter, [@ElliotDofCowden](#).

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The Business Case For Completing A Compensation Audit

We all agree that there is a basic requirement in business to have in place a solid performance management, reward strategies and system capabilities to be successful. Although, all too often the reality is that companies reward one behavior when they actually seek a different outcome.

Simply stated, the framework should:

- Define the desired performance in real goals and action plans
- Describe the ideal areas and measure them appropriately
- Create the proper rewards for achieving the right measures

Bonuses, incentive pay, variable and at-risk compensation are good methods for incentivizing appropriate behavior while preventing it from regressing.

Retooling a company's performance strategy is an important opportunity to make a solid performance and reward system a distinctive competency and a competitive advantage.

How should we start?

Employee salary, bonus, incentive and equity programs should be reviewed or audited on a periodic basis to determine their effectiveness, competitiveness, and compliance.

The following questionnaire is an appropriate place to start:

- Has the company recently changed its business or sales strategy? If yes, has the compensation plan been reviewed to determine if it supports the new strategy?
- Has the company been experiencing growth?
- Do you feel satisfied that your pay programs provide sufficiently motivating rewards for the achievement of company business objectives?
- Are there fair differentials in pay for current employees when compared with the pay offered to new hires?
- Do you feel comfortable that there are good compensation systems to ensure employees are paid in a fair manner relative to their responsibilities, performance, and overall contribution?
- Have there been issues with recruitment or retention of employees and executive management due to inadequate employee compensation or financial rewards?

- Are you comfortable that all levels of management are appropriately setting employee performance standards, measuring and rewarding performance?
- Are you satisfied with the information that you have about competitor compensation and benefit practices?
- Have you reviewed your compensation practices for compliance with state wage orders, state employment discrimination laws, FLSA and EEO (Title VII, Equal Pay Act, etc.) statutes in the last few years?
- Do employee salaries and bonuses reflect changes in job duties as they evolve?

The review process should include detailed questions related to each of the above issues as well as others, and would typically include, a detailed analysis of compensation-related documents and policies, review of payroll and personnel records, and interviews with key management personnel.

[Please share your thoughts!](#)

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[About Cowden](#)

Cowden Associates, Inc. (Cowden) is recognized as a leading independent compensation, health and benefits, and retirement consulting firm regionally, nationally, and internationally. Cowden was established in 1996, bringing together seasoned professionals to provide client-focused advice designed to produce superior and measurable results to businesses, regardless of size or industry. Client industries include: financial institutions, governmental entities, healthcare, manufacturing, not-for-profit, school districts, and Taft-Hartley.

Cowden's exceptional interactive approach is what sets us apart from similar consulting firms. To deliver a tailored resolution to your specific needs, we first identify the overall attributes exclusive to your organization. We build an understanding of your organization by asking questions, observing, and

listening. In this manner you are not merely receiving a pre-fabricated answer, but rather a unique solution for your circumstances.

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[What's Dinkin Thinkin?](#)

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