

#### **Guidance on Wellness Incentive Rules**

Expect new rules from the EEOC on permissible incentives for workplace wellness plans under the ADA. Previously, the EEOC issued guidance that allowed employers to offer wellness incentives of up to 30% of the cost of health care coverage to encourage employees to answer health-related questions or undergo medical examinations. However, the EEOC removed this incentive limit, effective Jan. 1, 2019, after a court invalidated the limit.

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#### **Paid Leave Laws**

Paid leave laws are rapidly spreading throughout the country. In addition to 13 states, many cities, towns and counties are also padding paid leave laws, so employers should monitor state and local legislation for expanded paid leave mandates. Don't be surprised if this momentum leads to a federal paid leave law applicable to the private sector.

2

#### **Extension of PCORI Fees**

The PCORI fees, which were set to expire with plan years ending before Oct. 1, 2019, have been extended for the 2020-29 fiscal years. For plan years ending in 2019, the PCORI fees are due by July 31, 2020.

3

#### **Proliferation of State Individual Mandates and Employer Reporting**

In addition to 5 states that have already passed state individual mandates, many more states are actively considering their own individual mandates, with corresponding state health coverage reporting requirements. Employers operating in states with a state individual mandate must prepare to file the correct forms by the applicable deadlines and comply with all other requirements of the state individual mandates.

4

#### **Mental Health Parity**

The MHPAEA is a federal law that generally prevents group health plans and health insurance issuers from imposing less favorable limitations on mental health and substance use disorder (MH/SUD) benefits than on medical and surgical coverage. Employers offering MH/SUD coverage should review their benefits plans for compliance with federal mental health parity requirements.

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# 5 Employee Benefits Developments to Watch in 2020