

Payrollnews

September 2018

DOL Returns to the Five-Part Test & ... New ACA Cost Sharing Limits

At Data Management Payroll Services, we keep our clients updated. The recent mandate about the fiduciary responsibilities and ACA updates are in the news – and we've got the facts.

Recent developments regarding the invalidated Department of Labor (DOL) fiduciary rule, and 2019 ACA cost-sharing limits for employees, are what employers need-to-know heading into the fourth quarter.

From ERISA rules to ACA limits, DMPS has what it takes to process your payroll and keep you in compliance.

Here are a few things employers must know about ERISA and ACA, and what to do to get ready for upcoming effective dates.

ERISA & the Five-Part Test

In June, the U.S. Court of Appeals issued a mandate, ultimately invalidating the March 2015 fiduciary rule, thus reverting back to the ERISA Five-Part Test

to determine fiduciary status under the Employee Retirement Securities Act (ERISA).

The fiduciary rule had hoped to expand circumstances under which retirement plan investment advisers are considered fiduciaries, and to further

plan documents. Be sure to click the Source links for more information when preparing your company's benefit plan documents.

ACA 2019 Limits

The IRS has released new cost-sharing limits for employee healthcare under the Affordable Care Act (ACA). The Applicable Percentage Table for 2019 has increased slightly from last year.

For plan years beginning in 2019, the update increases the required contribution for 2019 to 9.86%, up from 9.56% in 2018.

Healthcare coverage is only "affordable" if the least expensive self-only health plan costs less than 9.86% of the worker's household income.

Click the IRS Source link for a pdf with the Applicable Percentage Table for 2019.

Data Management Payroll Services keeps our clients updated and in compliance. Check out our complete list of

continued on next page

The Five-Part Test

Under DOL regs issued in 1975, a person who provides investment advice is a fiduciary under ERISA if all five elements are satisfied:

- 1 the person must render advice as to the value of the securities or property,
- 2 on a regular basis,
- 3 pursuant to a mutual agreement,
- 4 the advice serves as a primary basis for investment decisions, and
- 5 the advice is individualized based on the client's needs.

safeguard employees from conflicts of interest regarding their retirement accounts, rollover advice and distributions.

Fall is a great time to review your benefit offerings, and update all plan benefit information including health and retirement

Five-Part Test...

continued from front

payroll processing and human resources services to get you on-track for 2019.

Don't wait ... call us today.

Sources: ERISA Fact Sheet <https://www.dol.gov/agencies/ebsa/about-ebsa/our-activities/resource-center/fact-sheets/what-is-erisa> , DOL's Health Plans & Benefits ERISA <https://www.dol.gov/general/topic/health-plans/erisa> , <https://www.irs.gov/pub/irs-drop/rp-18-34.pdf> and <https://www.lexology.com/library/detail.aspx?g=a7597fec-64f7-422d-ac2d-da2218a3414e> .

New Rules for Michigan Pay Days & More ...



Don't miss these legislative changes regarding pay days, pay periods and overtime pay in Michigan, effective September 2018. Changes include rules about weekly, bi-weekly and monthly pay days.

If you have a weekly or bi-weekly pay, wages must be paid on an established recurring payday. And, pay day must be within 15 days after the end of a monthly pay period, and must include all wages earned in that monthly pay period.

Click the link for Enrolled House Bill No. 5235, Public Act No. 170, an act to amend 1978 Public Act 390, regulating time, manner, rights and responsibilities, recordkeeping, and practices, penalties and remedies including settlement of disputes regarding payment of wages and fringe benefits.

Source: <http://www.legislature.mi.gov/documents/2017-2018/publicact/pdf/2018-PA-0170.pdf>

Get Ready for 2019 with DMPS!

- ✓ Check Signing & Stuffing
- ✓ Data Transfers
- ✓ Direct Deposit / EFT
- ✓ Employee Earnings Records
- ✓ 401(k) Reporting
- ✓ FOC / Garnishments
- ✓ General Ledger
- ✓ HR – ACA Reporting
- ✓ HR – Applicant Tracking
- ✓ HR – On-Boarding
- ✓ HR – Personnel Records
- ✓ HR – Compliance Library
- ✓ HR – Legal Hotline
- ✓ HR – Employee Self-Service
- ✓ Online Payroll Processing
- ✓ Paperless Payroll
- ✓ Payroll Control™
- ✓ Tax Filing
- ✓ Time & Attendance
- ✓ Unemployment Claims
- ✓ Vacation / Sick Accruals
- ✓ W-2 Electronic Filing
- ✓ Workers' Comp Reporting

Through *Payroll News*, Data Management Payroll Services may provide general information on legal developments related to payroll administration. If such developments appear relevant to your specific situation, you should discuss them with your professional advisor before taking any action.