



THE  
Contractors  
PLAN®  
Provided by Fringe Benefit Group



# Construction Contractors & Obamacare

Brian Robertson,  
Fringe Benefit Group - ABC Strategic Partner

# Agenda

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- ABC partnership overview
- Convey key facts about the Affordable Care Act
  - ACA penalties and who is impacted
- Offering benefits can make bids more competitive
- ACA compliant healthcare solutions designed exclusively for contractors
- Overview of benefits enrollment portal
- Your questions & feedback

# ABC Partnership Overview



- Business partner program launched in Sept - 2009
  - One aspect of The Contractors Plan – a prevailing wage specific retirement solution
  - Over 500 contractor members signed up through brokers since launch
  - \$10's of millions in payroll burden savings created for members
- National strategic partnership launched in Dec – 2014
  - Partner for ABC core value of compliance and ethics
  - Resource for chapter staff, contractor and broker members
  - Partner page, webinars, home office and field support, educational emails, newsletter content, etc.
- **Preferred Pricing for ABC Members**
  - No set-up fees and waiver 1st year annual fee on retirement plans
  - Other included services at no additional cost

# ABC Partnership Expansion

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- Expanding the business partner program to include all aspects of The Contractors Plan total benefits platform
- Broker distribution model for 30+ year history of firm
- Program will now include major medical, specialty (e.g. dental, vision, life, disability, etc.), retirement and HRA plans
- Any / all chosen benefits can be administered via one easy to use platform
- Available to any contractor (i.e. not just contractors bidding and performing on prevailing wage projects)

# Who is Subject to the Mandate?



**Determine the number of full time employees in prior calendar year.**

**If  $\geq 50$**   
( $\geq 100$  for 2015)

Business is subject to PPACA

**If  $< 50$**   
( $< 100$  for 2015)

PPACA looks to part time employees to determine full time employee equivalents

If total full-time and full-time equivalent employees  $\geq 50$   
(100 for 2015)

Business is **subject** to PPACA employer mandate penalty and coverage provisions

If total full-time and full-time equivalent employees  $< 50$   
(100 for 2015)

Business is **exempt** to PPACA employer mandate penalty and coverage provisions

Seperate businesses under common control are considered one business if determined so by IRS Rules

Rules may vary by structure (e.g. corporations or individuals). Generally requires 80% control.

## Key considerations

PPACA looks back at the prior calendar year's employment, so it might be a consideration in determining future hiring decisions in advance of the extended January 1, 2015 and 2016 effective dates for employer mandate penalties.

# Applicable Large Employer

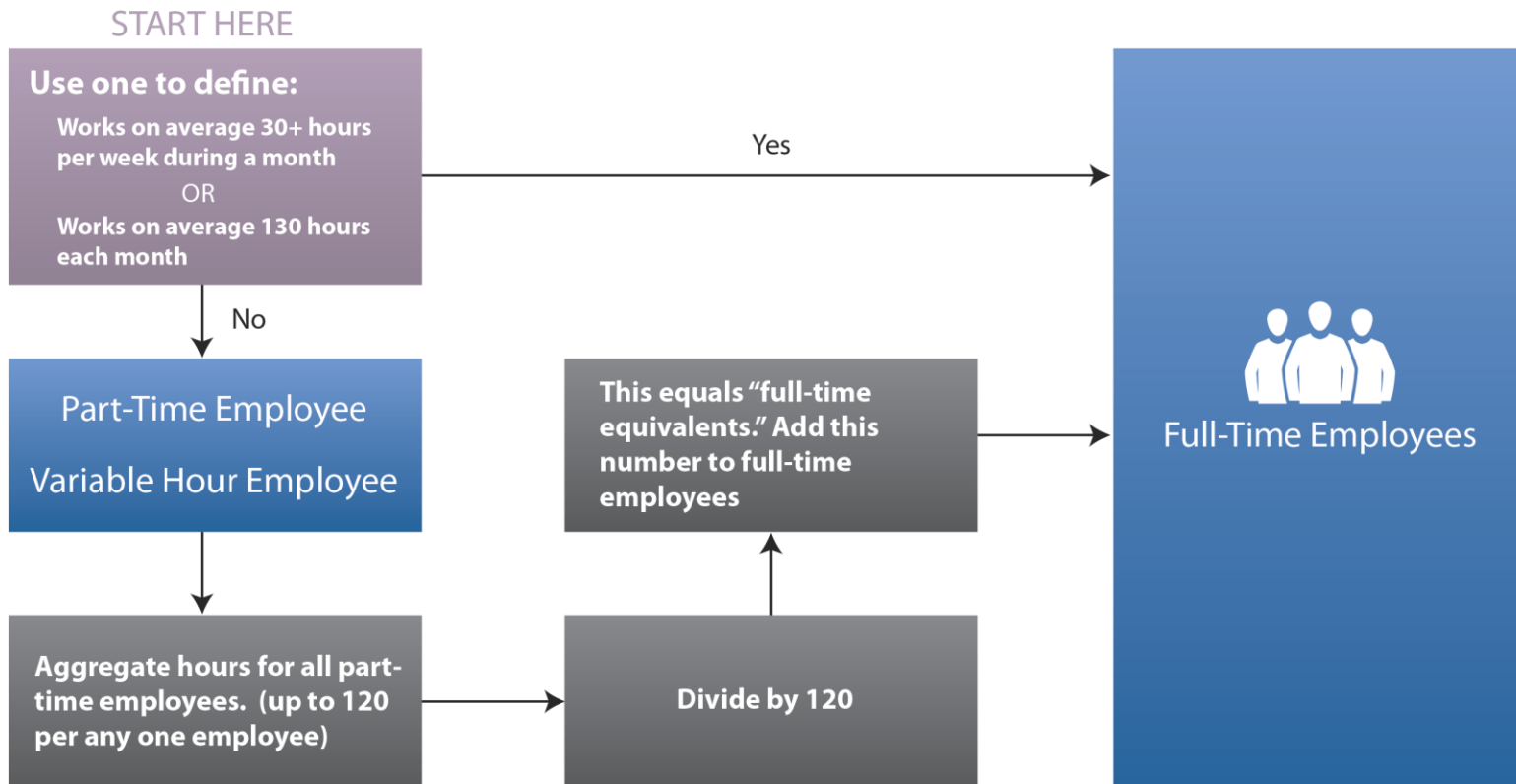


- **Applicable Large Employer – “ALE”** - Employed an average of at least 50 full-time employees (including full-time equivalent employees) on business days during the prior calendar year.
- **Full-time Employee** - An employee who is employed an average of at least 30 hours of service per week during a calendar month, or 130 hours of service during the month.
- **Full-time Equivalent Employees (“FTE”)** – The hours of service for all employees that were not full-time employees in the month are added together and divided by 120 hours.
  - 1) The result is the number of FTEs for the month.
  - 2) Maximum hours counted = 120 for any one employee

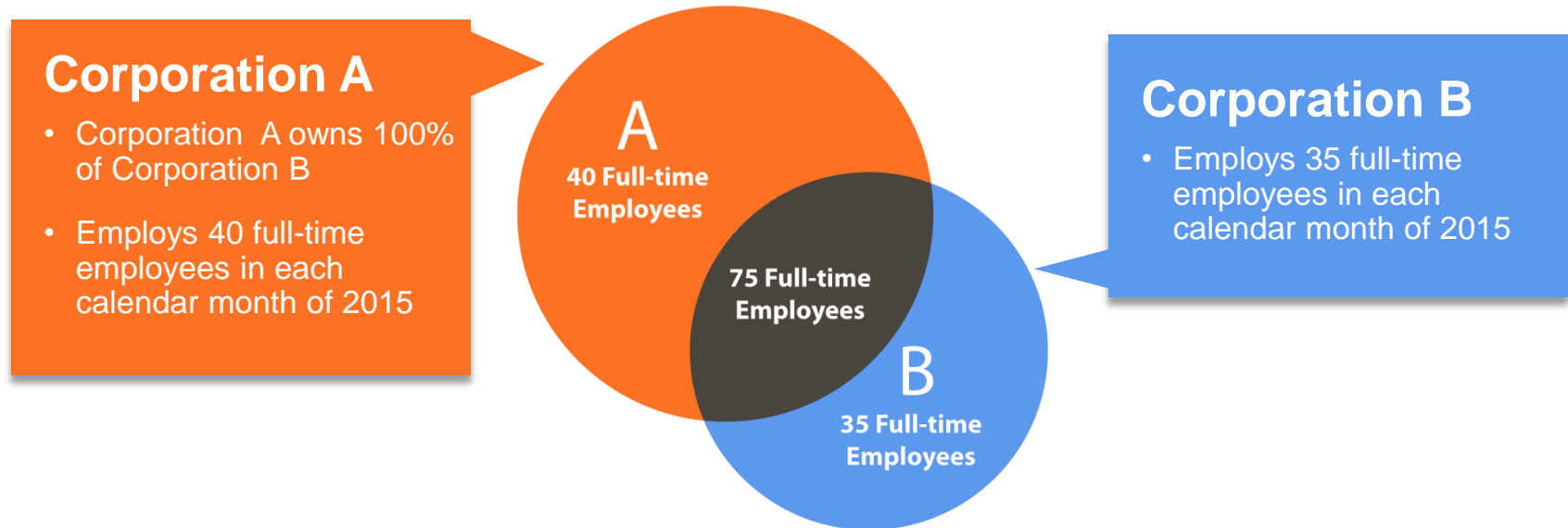
# How to Determine Full-Time Status



## How To Determine Full-Time Status



# Control Group Breakdown



## Conclusion:

Corporation A and corporation B are members of a controlled group that employs 50 or more full-time employees and, therefore, are large employers subject to the employer mandate in 2016.



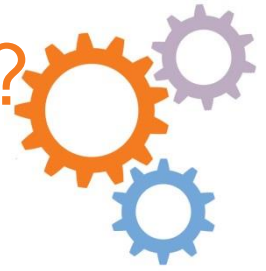
# ACA Employer Mandate?

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- Large employers (those who average 50 or more full-time employees in the prior calendar year) must offer medical coverage to full-time employees beginning in 2016. (100 for 2015)
- If employer does not offer medical coverage to full-time employees, is subject to annual \$2,000 fee/tax per employee (1/12<sup>th</sup> for each month without coverage) if any employee receives government premium or tax credit.
- If employer offers coverage, but it is unaffordable or doesn't meet minimum value rules, subject to annual \$3,000 fee/tax (1/12<sup>th</sup>/month) per employee that receives government premium or tax credit.

# Which Employees Qualify for a Subsidy?



- Individuals that have minimum essential coverage (MEC) via their employer are not eligible
- Qualify when income level is between 100% and 400% of the Federal Poverty Level (“FPL”)
- Anyone making over 400% of the FPL bears the full cost of coverage via the exchange i.e. no subsidy is available
- “Marriage penalty” e.g. two singles can qualify at \$33,510 each, but not as a married couple

Check out the link below for a calculator: <http://healthreform.kff.org/subsidycalculator.aspx>

# ACA Reporting (1094 & 1095)



- 1094/95 series forms are used to report health insurance coverage to individuals and information from large employers related to Affordable Care Act employer tax provisions for compliance with IRC 6055 and 6056
- There are 3 1094/95 series forms
  - 1) A Series – Used by insurers to report marketplace health insurance coverage
  - 2) B Series – Used by insurers to report employer sponsored plans' health insurance coverage and small employers with self insured plans
  - 3) C Series – Used by large employers to report health insurance coverage (or lack thereof) and information for compliance with ACA tax provisions
- 1094 forms are filed with IRS summarizing 1095 reporting
- 1095 forms go to individuals and employees

# ACA Reporting (6055 and 6056)

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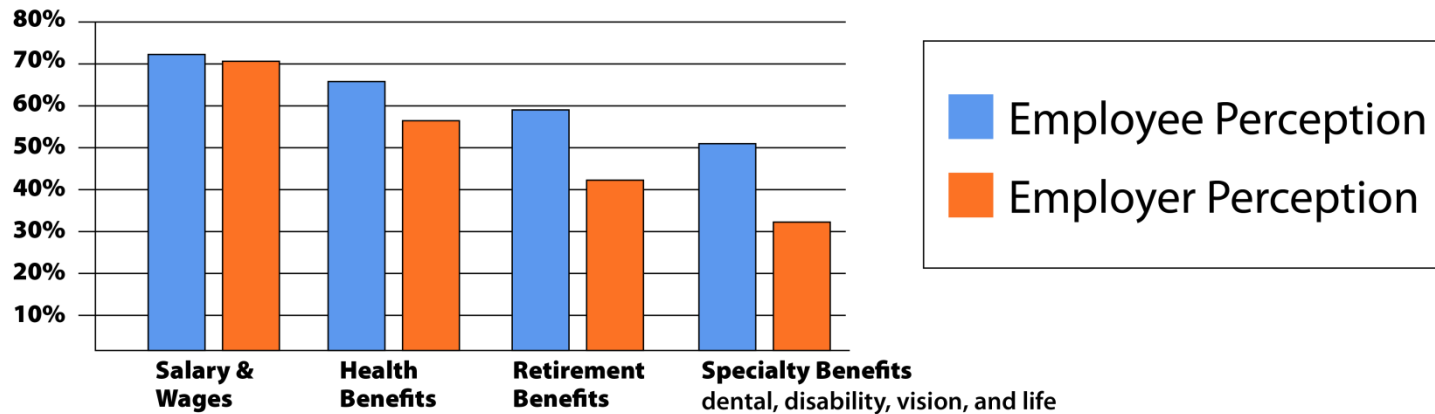


- IRC 6055 requires reporting by all providers of “Minimum Essential Coverage” health insurance to the IRS and individuals covered by the health insurance
  - 1) Health insurance issuers, carriers, for insured coverage
  - 2) Plan sponsors of self-insured group health plan coverage
  - 3) Agency of a governmental unit under government sponsored programs
- IRC 6056 requires reporting by Applicable Large Employers who are subject to the employer “shared responsibility” (tax) provisions of the affordable care act

# Employee Retention Studies



- Employers consistently underestimate employee perceptions of value:



- Employees who are very satisfied with benefits are nearly 3x as likely to say they are satisfied with their jobs and less likely to plan to leave.

Source: 10<sup>th</sup> Annual MetLife [Study of Employee Benefit Trends](#)

# Employee Benefits Built for Contractors



- Hour banking to simplify accounting and smooth out coverage experience for hourly workers
- A one of a kind retirement loan program
- Online benefits administration portal for employers to access and manage & for employees to enroll, access and manage their benefits
- ACA & Prevailing Wage Compliance and Audit Support
- “Total Fringe” administration
- Integration with payroll provider

# Employee Benefits Built for Contractors



- Not all contractor members will be a good fit for the program
- Underwriting health insurance can be challenging and provider networks and discounts vary greatly by region
- Not intended to be a low cost insurance option
- Platform saves contractors time, money and compliance – administrative headaches
- The features and services are specifically geared towards the unique challenges presented by having a predominantly hourly workforce

# Benefits Administered



- Medical:
  - Self-funded MVP
    - Integrated Rx (PBM)
    - CIGNA doctor and hospital provider network
  - Self-funded MEC
    - 63 preventive services covered at 100%
    - Removes \$2,000 part “A” penalty and part “B” for enrolled employees
    - Qualifies for individuals to avoid mandate (“shared responsibility payment”)
    - Employers are still subject to the “B” penalty (\$3,000 fine) if an employee enrolls in an exchange plan and receives a subsidy.
  - Fully Insured MVP
- Specialty: dental, vision, life, disability, accident, critical illness, limited indemnity, EAP
- Tax Advantaged Accounts: HRA, HSA, retirement, etc.



# Annual Employee Tax Impact



Fringe in Paycheck	
Base wage	\$35,000
Fringes	\$7,750
Gross Wages	\$42,750
Federal Taxes	(\$4,991)
-	-

**Total Wages                      \$37,759**

“Bona Fide” Fringe Plan	
Base Wage	\$35,000
Gross Wages	\$35,000
Federal Taxes	(\$3,304)
Net Wages	\$31,696
Fringes	\$7,750

**Total Wages & Benefits    \$39,446**

2013 Single Tax Rate, with one exemption and standard deduction.

# Total Potential Impact



Over a 1 year Contract  
w/ 50 Employees  
= **\$83,200**

Over a 1 year Contract  
w/ 250 Employees  
= **\$660,400**

Over a 1 year Contract  
w/ 500 Employees  
= **\$1,372,800**

	Fringe Paid in Wages	Fringe Paid in Benefits
Cash Wages	\$22.00 per hour paid	\$19.69 per hour paid
Fringe Contributed to H&W Benefit	\$0.00	\$2.31 per hour paid
Payroll Burden (assumed 17%) FICA, FUTA, SUTA, WC	\$3.96 per hour paid	\$3.54 per hour paid
Hourly PPACA Penalty when Major Medical Not Offered	\$0.67 per hour paid (not deductible)	\$0.00
Total Bid Cost Per Hour Paid	\$26.63	\$25.54
Savings Per Hour Per Employee	—	\$1.09
Annual Savings Per Employee (2080 hrs paid each)	—	<b>\$2,267.20</b>

*ASSUME = 2080 Hours, \$400 premium, 100 employees. Tax penalty = \$2,000 PEPY (minus first 30)*

# Single Source Administration

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- One partner to administer and manage all benefits
- Holistic & integrated employee communications
- Prevailing wage, PPACA & ERISA compliance over all programs
- Detailed reporting for all aspects of your benefit strategy
- Opportunity to offer employees the best array without the added burden to you or your staff

# Participant Profile Page



## User Profiles –

Can be census driven or created and updated by the participant directly, allowing user information to stay current with employer records

The screenshot shows a web interface for 'THE Contractors PLAN®'. At the top, there is a navigation bar with tabs: 'My Info', 'My Plans', 'My Family', 'Beneficiaries', and 'Check Out'. A 'Brochure' button is on the right. Below the navigation bar, a message reads: 'for assistance call: (800) 822-3974 | Enroll by Aug. 28'. The main content area is titled 'Tell Us About Yourself'. It contains a form with the following fields: 'First Name: \*', 'MI: \*', 'Last Name: \*', 'SSN: \*', 'Date of Birth: \*', 'Male' (radio button), and 'Female' (radio button). Below these are 'Street Address: \*', 'City: \*', 'State: \*', and 'Zip: \*'. There is also a 'Best Contact Number: \*' field. A question 'Do you have a spouse or domestic partner?' is followed by 'No' and 'Yes' radio buttons. Below this, there is a section for 'Spouse' with a 'First Name: \*' field and a 'Spouse' text input field. An 'Add A Child' button with an information icon is also present. At the bottom, there is a 'Continue' button. The footer includes the 'THE Contractors PLAN®' logo and the text 'Provided by Fringe Benefit Group'.

# Customizable Health Plans



**Customizable Health Plans –**  
Product, Level and Tier provide all of the information to make plan choices on one screen

**Plan Cart –**  
Shows (Real-time) Allocations to Medical, Ancillary and Retirement

My InfoMy PlansMy FamilyBeneficiariesCheck Out

for assistance call: (800) 822-3974 | Enroll by Aug. 28

Customize Your Benefits

MedicalDentalVisionLifeDisability

	Med Basic	Med Advantage	Med Basic and Advantage	Decline Medical	
<input type="radio"/> Cover Kevin	\$19.98	<input type="radio"/> Cover Kevin	\$11.16	<input type="radio"/> Cover Kevin \$31.14	<input type="radio"/> I decline \$0.00 this coverage.
<input type="radio"/> Cover Kevin & Shelly	\$37.96	<input type="radio"/> Cover Kevin & Shelly	\$19.64	<input type="radio"/> Cover Kevin & Shelly \$57.60	
<input type="radio"/> Cover Kevin & Kaleb	\$33.17	<input type="radio"/> Cover Kevin & Kaleb	\$21.33	<input type="radio"/> Cover Kevin & Kaleb \$54.50	
<input checked="" type="radio"/> Cover Kevin, Shelly & Kaleb	\$50.55	<input type="radio"/> Cover Kevin, Shelly & Kaleb	\$27.36	<input type="radio"/> Cover Kevin, Shelly & Kaleb \$77.91	

Medical Details  
Learn more+

Your Weekly Costs

Med Basic	\$50.55	✓
Dental	\$12.83	✓
Vision	\$5.84	✓
Life/AD&D	\$1.80	✓
Disability	\$3.87	✓
Total	\$74.89	

Go Back

THE Contractors PLAN®  
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Continue

# Ancillary Benefits



**Ancillary Benefits –**  
Specialty benefit products are displayed on individual screens, enabling an “a la carte” style shopping experience

**Documentation –** Brochure, Waiver and other forms can be downloaded from each page

The screenshot shows a web interface for customizing benefits. At the top, there is a navigation bar with links: 'My Info', 'My Plans', 'My Family', 'Beneficiaries', and 'Check Out'. Below this, a message states 'for assistance call: (800) 822-3974 | Enroll by Aug. 28'. On the right, there is a 'Brochure' button and a 'WATCH THE VIDEO' button. The main heading is 'Customize Your Benefits'. Below this, there are tabs for 'Medical', 'Dental', 'Vision', 'Life', and 'Disability'. The 'Dental' tab is selected, showing a list of dental coverage options with radio buttons and prices. To the right of the dental options is a 'Your Weekly Costs' table. At the bottom, there are 'Go Back' and 'Continue' buttons, and the 'THE Contractors PLAN' logo with the text 'Provided by Fringe Benefit Group'.

for assistance call: (800) 822-3974 | Enroll by Aug. 28

### Customize Your Benefits

Medical Dental Vision Life Disability

**Dental**

- ☐ Cover Kevin \$4.75
- ☐ Cover Kevin & Shelly \$11.88
- ☐ Cover Kevin & Kaleb \$8.55
- ☒ Cover Kevin, Shelly & Kaleb \$12.83
- ☐ I decline this coverage. \$0.00

Dental Details  
[Learn more +](#)

**Your Weekly Costs**

Med Basic	\$50.55	✓
Dental	\$12.83	✓
Vision	\$5.84	✓
Life/AD&D	\$1.80	✓
Disability	\$3.87	✓
<b>Total</b>	<b>\$74.89</b>	

Go Back Continue

**THE Contractors PLAN**  
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# Dependent Profile Page



**Dependent –**  
Prepopulated  
dependent  
information from  
enrollment  
choices simplifies  
data entry

My Info My Plans My Family Beneficiaries Check Out

for assistance call: (800) 822-3974 | Enroll by [Aug. 28](#)

Brochure

Please tell us about your family members or dependents that you intend to cover.

**Family/Dependent Information**

Would you like to enroll your spouse or domestic partner? ☐ No ☒ Yes

**Spouse**

First Name: \* MI: Last Name: \* Date of Birth: \* Male Female Social Security #: \*

Status: Spouse

**First Child**

First Name: \* MI: Last Name: \* Date of Birth: \* Male Female Social Security #: \* Delete

Add A Child

Go Back Continue

**THE CONTRACTORS PLAN**  
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# Enter Beneficiary Information



## Beneficiaries –

Based on product choices, the beneficiary box displays / prepopulates with default dependent information

The screenshot shows a web interface for entering beneficiary information. At the top, there is a navigation bar with buttons: 'My Info', 'My Plans', 'My Family', 'Beneficiaries' (highlighted), and 'Check Out'. A 'Brochure' dropdown menu is on the right. Below the navigation bar, a message reads: 'for assistance call: (800) 822-3974 | Enroll by Aug. 28'. The main content area is titled 'Life Beneficiary Info' and contains an 'Add Beneficiaries' button. Below this, there are two sections for adding beneficiaries. The first section is for a 'Spouse' and the second is for a 'Child of covered employee'. Each section has input fields for 'First Name', 'MI', 'Last Name', 'Percentage', and a 'Relationship' dropdown menu. The 'Spouse' section has a 'Delete' button. The 'Child of covered employee' section also has a 'Delete' button. At the bottom of the form, there are 'Go Back' and 'Continue' buttons, and a logo for 'THE Contractors PLAN' with the text 'Provided by Fringe Benefit Group'.

My Info My Plans My Family **Beneficiaries** Check Out Brochure

for assistance call: (800) 822-3974 | Enroll by Aug. 28

**Life Beneficiary Info**

Add Beneficiaries

Spouse

First Name: \* MI: Last Name: \* Percentage: Relationship: \*

100 % Spouse Delete

Child of covered employee

First Name: \* MI: Last Name: \* Percentage: Relationship: \*

0 % Child of covered employee Delete

Go Back THE Contractors PLAN Provided by Fringe Benefit Group Continue



# Benefit Summary Page








## Plan Summary

– Enables participants to see their entire set of selections graphically mapped on one page. Additional information can be obtained (or changed) by clicking the benefit icon


My InfoMy PlansMy FamilyBeneficiariesCheck Out

for assistance call: (800) 822-3974 | Enroll by Aug. 28

Please review and confirm your elections that will become effective on **Monday, March 23, 2015** provided premium is received.

Your Coverage	 Med Basic	 Dental	 Vision	 Life/AD&D	 Disability
Kevin	✓	✓	✓	✓	✓
Shelly	✓	✓	✓	✓	Declined
Kaleb	✓	✓	✓	✓	Declined
Weekly Cost	\$50.55	\$12.83	\$5.84	\$1.80	\$3.87
Total	\$74.89 (Weekly)				

Edit Choices

 **THE Contractors PLAN®**  
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Continue

# Disclosure Statements



## Plan Disclosures

– Place important information in front of the participant, requiring action, to proceed to the Confirmation Page

The screenshot displays a web portal interface for 'THE Contractors PLAN'. At the top, there is a navigation bar with links: 'My Info', 'My Plans', 'My Family', 'Beneficiaries', 'Check Out', and a 'Brochure' dropdown. Below the navigation bar, a message reads: 'for assistance call: (800) 822-3974 | Enroll by Aug. 28'. A central modal dialog box titled 'Enrolling' is overlaid on the page. The dialog contains the following text and checkboxes:

- Enrolling**
- Please wait while we process your enrollment...
- All information given by me on this application is true and complete and offered as an inducement to grant insurance.  
☒ I Understand and Agree
- I understand that election of the MEC plan will restrict eligibility for the premium tax credit on an individual Marketplace/Exchange health plan.  
☒ I Understand and Agree
- There are restrictions on changing my coverage. This plan is under IRS code 125. To change coverage, you must notify us within 31 days after a qualifying event (Examples: birth of a child, getting other group coverage or state exchange plan, marriage). Any changes to coverage are on a going forward basis only. No refunds will be provided.  
☒ I Understand and Agree. Complete my enrollment.
- Enrolling.....**

The background of the portal shows a sidebar with 'Your Coverage' and a table with columns for 'Disability', 'Declined', and '\$3.67'. At the bottom of the portal, there is an 'Edit Choices' button and the logo for 'THE Contractors PLAN' with the text 'Provided by Fringe Benefit Group'.

# Confirmation Page




**Confirmation Page** – Lets the participant know that their enrollment is complete along with providing the effective date and date to receive the ID card






[My Info](#) [My Plans](#) [My Family](#) [Beneficiaries](#) [Check Out](#) [Brochure](#)


for assistance call: (800) 822-3974 | Enroll by [Aug. 28](#)

**Congratulations Kevin Sample, your enrollment is complete!**



Your Confirmation Number is **XXXXXX**. If Premium is received, your Plan will be effective on **Monday, March 23, 2015**. Please note that your ID card(s) and other documentation will be mailed directly to you. You should receive your ID card(s) prior to **Thursday, March 26, 2015**.

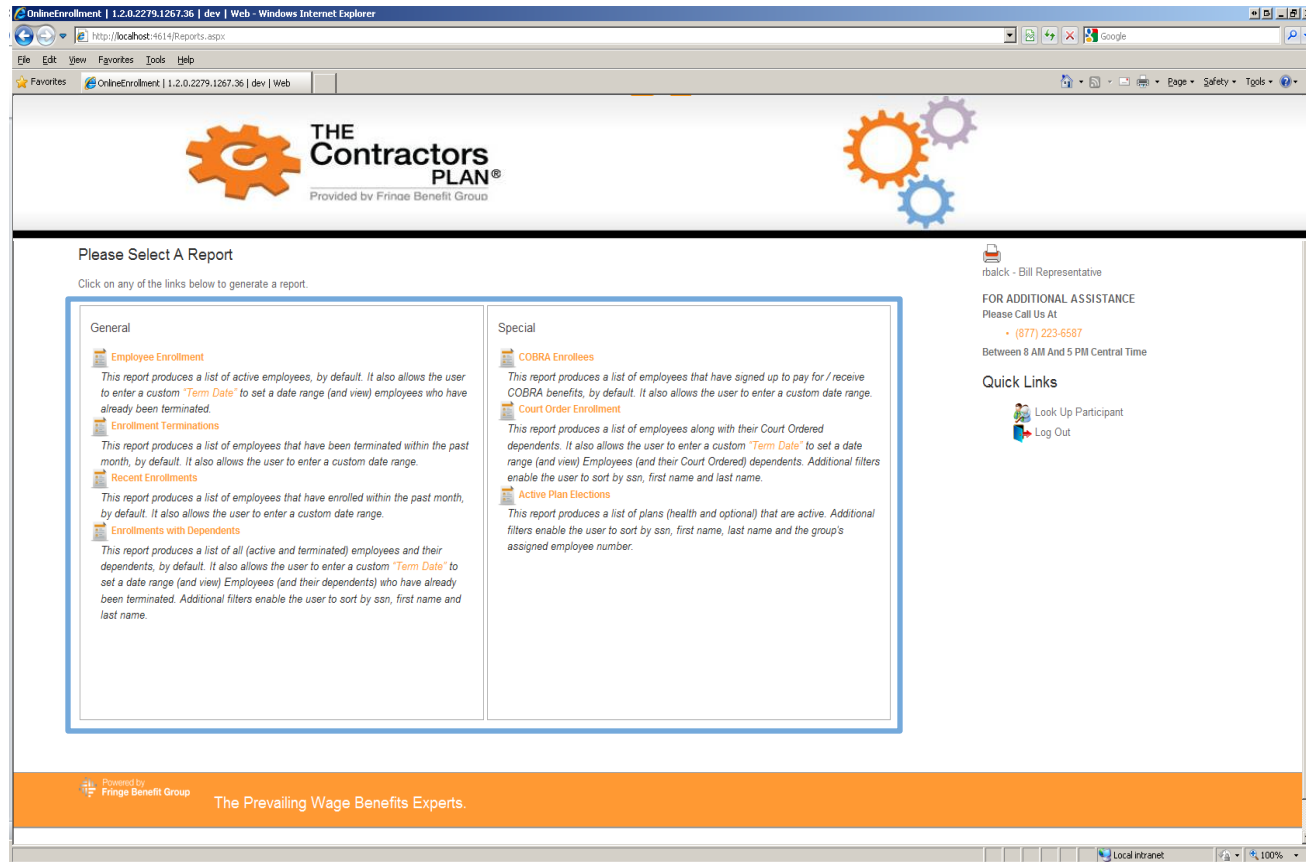
Your Coverage	 <b>Med Basic</b>	 <b>Dental</b>	 <b>Vision</b>	 <b>Life/AD&amp;D</b>	 <b>Disability</b>
Kevin	✓	✓	✓	✓	✓
Shelly	✓	✓	✓	✓	Declined
Kaleb	✓	✓	✓	✓	Declined
Weekly Cost	\$50.55	\$12.83	\$5.84	\$1.80	\$3.87
<b>Total</b>	<b>\$74.89 (Weekly)</b>				

 **THE Contractors PLAN®**  
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# Robust Reporting Center



**Reports Screen –**  
Provides the most  
requested reports  
and enables the  
employer and  
producer to  
download to .csv  
or .txt format for  
further analysis



# Simple Secure File Upload



**Secure Upload –**  
Administrators  
can upload files  
directly - safely  
and securely

**Upload Types –**  
Enables the user  
to select from  
multiple file  
upload types  
from a single  
menu

CPTOnlineEnrollment - Windows Internet Explorer  
https://www.mycontractorsplan.com/UploadGroupTotalFringe.aspx

File Edit View Favorites Tools Help

THE Contractors PLAN®  
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Secure File Upload

You may upload a census or other non-premium files. Select a group and group plan before you can proceed with adding a file.

SELECT A GROUP AND PLAN

Groups: CPTOnlineEnrollment  
Plans: Retirement - 5691  
Please select a group plan.  
Retirement - 5691  
ADD OTHER: The Contractors Plan Trust - Hour Bank  
Health and Retirement - Total Fringe - Health and Retirement Split  
Fringe - Health and Retirement Split

Enter all the required task related entries which include:

- the type of file you want to upload
- group contact
- subject of the task
- description/notes associated with the task

The group contact name should default to you. Please contact us if the name in this box should be someone else. When all required entries are made, click the "start upload" button to create the task and add the file you wish to upload.

Task Type\*: Please select the type of upload.  
Group Contact\*: Please select a group contact.  
Subject\*:  
Description\*:

Locate and Upload File  
Browse...  
Start Upload Cancel

FILTER

The "Filter File List" enables you to sort / filter through the files (below) that have already been uploaded in to the system. You can filter by file name, entered by, and / or entered date. Note that the file list will update in real time as you enter various filter text.

# Multiple Payment Process Options




**Payment Files –**  
Enables plan administrators to select from multiple payment types using a single menu

CPTOnlineEnrollment - Windows Internet Explorer  
https://www.mycontractorsplan.com/EnterPremium.aspx

File Edit View Favorites Tools Help X

★ Favorites ★ Suggested Sites ★ Free Hotmail ★ Web Slice Gallery

CPTOnlineEnrollment

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1. Choose Method 2. Upload File 3. Confirmation [Cancel](#)

johara - Employer

**CONTRIBUTION/PAYMENT INFORMATION**

To upload a Contribution, please perform the following steps:

- Choose Method: Select the contribution/payment method using the dropdown box. Your options are:
  - **Draft my account by ACH:** By selecting ACH, you will be required to complete a "Payment Profile" that will allow your company's account to be drafted based on the date that you have selected.
  - **Pay by sending a check:** Your file will be held until we have received and processed your check for payment.
  - **Pay by sending a wire/ACH:** Your file will be held until we have received and processed your wire/ACH for payment.
  - **Make an Adjustment:** Here you are able to enter a dollar amount for an account adjustment along with an adjustment explanation.

☐ Make this my default payment method. [Continue to Step 2](#)

Please select a contribution/payment type  
Please select a contribution/payment type  
Pay by sending a check  
Draft my Account  
Pay by sending a wire/ACH  
Make an Adjustment

Powered by  Fringe Benefit Group

**The Prevailing Wage Benefits Experts.**

Home | Total Fringe | Group Health | Participant Health | Retirement |

For Additional Assistance: Please Call Us At (877) 223-6587

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Done Internet 100%

# Where to Learn More



- **The Contractors Plan Website:**
  - [www.thecontractorsplan.com](http://www.thecontractorsplan.com)
  - Complete Solution section
  - 9 brief informative videos
  - ACA Section
  - Contact Us – to find nearby field support
- **ABC Website:**
  - <http://www.abc.org/membership/memberdiscounts/thecontractorsplan.aspx>
- **Contact Us at:**
  - Karen deMontigny, [karend@fbg.com](mailto:karend@fbg.com)
  - Nat Peniston, [npeniston@fbg.com](mailto:npeniston@fbg.com)
  - Brian Robertson, [brobertson@fbg.com](mailto:brobertson@fbg.com)

# Questions & Feedback

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