



LISA SANDOVAL  
INSURANCE SERVICES

## Monthly Newsletter

by Lisa Sandoval Insurance Services

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### Medicare Part D Notices Are Due Before Oct. 15, 2020

Each year, Medicare Part D requires group health plan sponsors to disclose to individuals who are eligible for Medicare Part D and to the Centers for Medicare and Medicaid Services (CMS) whether the health plan's prescription drug coverage is creditable.



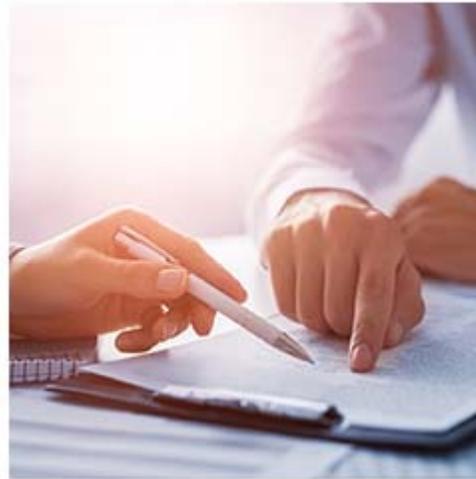
Plan sponsors must provide the annual disclosure notice to Medicare-eligible individuals before Oct. 15, 2020—the start date of the annual enrollment period for Medicare Part D. CMS has provided [model disclosure notices](#) for employers to use.

This notice is important because Medicare beneficiaries who are not covered by creditable prescription drug coverage and do not enroll in Medicare Part D when first eligible will likely pay higher premiums if they enroll at a later date. Although there are no specific penalties associated with this notice requirement, failing to provide the notice may be detrimental to employees.

Employers should confirm whether their health plans' prescription drug coverage is creditable or non-creditable and prepare to send their Medicare Part D disclosure notices before Oct. 15, 2020. To make the process easier, employers often include Medicare Part D notices in open enrollment packets they send out prior to Oct. 15.

### Preparing for an Unprecedented Open Enrollment Period

Open enrollment following the COVID-19 pandemic will be unlike any other in recent memory. Many organizations are still trying to recover from extended closures and maintain safe working environments—open enrollment is the last thing on their minds. Yet, procrastinating on enrollment planning can actually cause more issues than it solves.



Open enrollment isn't always a clear-cut process. Something that's successful for one organization won't necessarily work for another. Employers should review the following strategies and consider how similar initiatives might improve their own open enrollment efforts:

- Confer with management about any operational restrictions that may influence open enrollment (i.e., if in-person staff is limited within the workplace, in-person enrollment is likely not an option).
- Meet with stakeholders to solidify what the enrollment process will look like, including whether it will be entirely virtual, in-person with social distancing or some other combination of strategies.
- Debrief managers early in the enrollment process, and encourage them to communicate regularly to employees about the upcoming open enrollment.
- Inform all stakeholders (anyone to whom an employee may reach out about open enrollment questions) about the enrollment process. They should know where to find the answers to any topic, including:
  - Benefits effective date
  - Enrollment period
  - What happens to furloughed employees' benefits
  - How plan contributions work during extended closures
- Communicate to employees about open enrollment through multiple channels. Consider using videos, mail-home postcards, PDFs and other materials to ensure employees have all the information they need.

Preparation will be the key factor for a successful open enrollment this year. Employers should talk to stakeholders early and prepare to answer any employee questions. Employees will need to know exactly how they will be enrolling, when enrollment is happening and where they can find help. Solidifying this information early will help keep everyone on the same page.

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## **DOL Issues Guidance on Tracking Hours of**

# Work for Remote Employees

On Aug. 24, 2020, the U.S. Department of Labor (DOL) issued [Field Assistance Bulletin No. 2020-5](#) to remind employers of their obligation to accurately account for the number of hours their employees work away from the employer's facilities. While the bulletin was issued in response to the high number of employees working remotely because of the COVID-19 pandemic, the DOL is also reminding employers that the underlying principles apply to other telework or remote work arrangements.



## **Compensable Time**

The federal Fair Labor Standards Act (FLSA), requires employers to compensate their employees for all hours of work. Compensable time includes any hours an employee is requested or allowed to work, including telework or remote work.

For remote work situations, the bulletin clarifies that compensable time includes any time during which the employer knows or has reason to believe work is being performed, regardless of whether the work was authorized or requested.

## **Employer Obligations**

As a result, under the FLSA employers have an obligation to track the number of hours their employees work. For this reason, employers must provide reasonable procedures for employees to report any scheduled and unscheduled hours of work. However, the DOL is of the opinion that “if an employee fails to report unscheduled hours of work through a reasonable process, the employer is not required to undergo impractical efforts to uncover unreported hours of work.”

Finally, the bulletin emphasizes that employers bear the burden of preventing an employee from completing unauthorized or unwanted work.

**Newsletter provided by:**

Lisa Sandoval Insurance Services  
2801 Fanwood Ave., Long Beach, CA 90815  
562-496-3800  
lisa@lisasandovalinsurance.com  
<http://www.LisaSandovalInsurance.com>

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