



*Helping you get the most from your benefit plan*

# Employer Benefit Adviser

January 2020

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## 50 Years of Innovation in Small Group Benefits

Allied National is proud to be celebrating its golden anniversary this year. With 50 years' experience in the small group health benefit industry, Allied has been in the forefront of innovation – working hard to meet the needs of small employers.

Based in the Kansas City area, Allied provides level-funded group health plans like Funding Advantage; group ancillary benefits; and individual short-term medical plans.

Allied's **Funding Advantage** allows employers to fund claims with their own money – allowing them to keep any money that is left at the end of their plan year.

"Funding Advantage is considered by many in the industry as the best small group level-funding product design available," explained Chief Executive Officer Bill Ashley. "Stop-loss insurance eliminates risk."

Other innovative services include:

- **Member Connection**, a free online wellness portal and self-service site that rewards members for healthy habits.
- **Allied HealthCare Assistant**, an umbrella of health care services available to members and

their families to ensure they have the absolute best access to the best health care in the country.

- **HealthChoices**, a benefit option which provides Funding Advantage members with an immediate monthly premium discount as long as members use certain services.
- Comprehensive major medical benefit plans to supplement employer-sponsored **Direct Primary Care** (DPC) health plans.

### History

Allied got its start as a brokerage in 1951 and soon expanded into life, accident and health insurance – specializing in sub-standard risk. With the development of its Multiple Employer Trust in 1970, Allied entered the third-party administrator (TPA) business serving small employers across the country.

Allied National Executive Vice President Gary Ashley said he remembers his dad, William "Bill" Ashley Sr., who founded the company with his wife, Ernestine "Ernie" Ashley, sitting in a chair with a thesaurus in his lap looking for good names for the new company.

In 1993, Allied incorporated and today remains privately held and run by the Ashley brothers – Gary, Bill, and David Ashley, who serves as President.

## Be Prepared: Reminder About 1095-B Form Deadlines

Allied National will send you your 1095-B forms for each member who has been covered under your plan during the 2019 plan year. This information must be filed with the Internal Revenue Service (IRS) and a copy of the 1095-B given to each employee. The deadline for distributing 1095s to employees who have coverage is **March 2, 2020**.

### These forms will be mailed out to you this month.

You also will be able to access these forms through your Self-Service Site at [www.alliednational.com](http://www.alliednational.com).

Form 1095-B must include the name, address and Social Security number of all employees and their dependents who are covered under the medical plan and the number

of months during which the individual had at least one day of coverage.

**IMPORTANT:** If you are an Applicable Large Employer as defined by the Affordable Care Act, these forms are informational only. You must file form 1095-C that contains additional information about your plan offering, contribution and non-covered employees.

You can find out more information on these requirements at <https://tinyurl.com/jx6qupd>.



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## Allied National Health Plans are Going Green

Your Allied National benefit plan will be going green in 2020. We would like you to encourage your employees who are enrolled in your plan to opt into the program and receive documents online.

We will be sending postcards and emails to everyone enrolled in your plan within the next couple of months notifying them that important documents will now be posted online in their Self-Service account. The only way members will continue to receive benefit information through the mail is to respond to the email or postcard requesting to continue to receive paper correspondence.

By going green, you'll help reduce administrative costs and members will appreciate the immediate access to their benefit information. Encouraging your employees to go green with us in 2020 can help save you some green at renewal!



## Spending Bill Reauthorizes PCORI, Repeals Cadillac Tax

A \$1.4 trillion end-of-year spending package that will fund the federal government through fiscal year 2020 extends the Patient-Centered Outcomes Research Institute (PCORI) fee on employer sponsored health plans for 10 more years and repeals the Cadillac Tax.

The bill, H.R. 1865, reauthorizes PCORI, a fee on those who sponsor certain types of self-funded health plans and on fully insured carriers, to help fund the Patient-Centered Outcomes Research Institute. The spending bill reauthorizes PCORI for an additional 10 years to 2029. PCORI had expired for plan years ending after Oct. 1, 2019.

In addition to extending PCORI, the spending bill directs the Patient-Centered Outcomes Research Institute to

expand its research to consider the potential burdens and economic impacts of the utilization of medical treatments, such as:

- Medical out-of-pocket costs
- Non-medical costs to the patient and family, including caregiving
- The effects on future costs of care, workplace productivity and absenteeism and health care utilization

The spending bill also includes a full repeal of the "Cadillac tax," the 40% excise tax on the most expensive employer sponsored health insurance plans. This tax was regularly delayed in various spending bills, but this time Congress repealed it all together.

