



# DOMINION BENEFITS

## e-Bulletin

### Questions?

If you have any questions regarding the new non-discrimination rules, contact your Dominion Benefits Consultant or Client Manager.

*Dominion Benefits  
is an Employee Benefits  
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*Customized solutions...  
superior results*

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### **Non-Discrimination Rules & Your Benefits Plan: *Are You in Compliance?***

In recent months, Dominion Benefits has kept our clients informed on Health Care Reform related developments and emerging employer responsibilities. We realize this information can sometimes be overwhelming but we'd rather risk over-communicating. Today, we want to send a brief reminder on one key aspect of Health Care Reform that can significantly impact your medical program – nondiscrimination rules now apply to any “non-grandfathered” fully insured medical plan.

In a nutshell, we have found that the application of nondiscrimination rules that prohibit discrimination in favor of highly compensated employees – which is required for non-Grandfathered plans – can require significant benefit or financial adjustments. Examples of items that could cause your organization to fail the non-discrimination testing if your plan loses Grandfathered status include:

- Different benefits offered to different groups of employees
- Different contribution levels offered to different groups of employees
- Offering coverage to some full-time employees but not others
- Different waiting periods for different groups of employees

While ultimately you may need to get input from legal counsel (these rules can be complicated at best and penalties may apply differently depending on your specific situation), your Dominion Benefits consultant can discuss with you how Grandfathered status could be maintained, impact of losing Grandfathered status, pros vs. cons when weighing the decision to maintain it, and other potential solutions. Your consultant will be contacting you to discuss this further, but please feel free to reach out to your consultant or other member of your Dominion Benefits team if you have any questions in the meantime.