

## EMPLOYEE BENEFITS ALERT

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### FIRST QUARTERLY FILING DEADLINE RAPIDLY APPROACHING FOR MASSACHUSETTS EMPLOYERS

In connection with the passage of the Massachusetts Healthcare Reform Act (Act), most Massachusetts employers must file Fair Share Contribution (FSC) and Employer Health Insurance Responsibility Disclosure (HIRD) information with the state agencies charged with gathering such information. Until 2009, these filings were required on an annual basis (i.e., by November 15 of each year). Beginning this year, however, the filings are required on a quarterly basis, the first of which is due by February 15, 2009.

#### Filing Format

The filings are done together in electronic format on the Department of Unemployment Assistance (DUA) self-service website — <https://fsc.detma.org>. In order to use the system, an employer must be registered as a "UI-subject employer" with the DUA and must have an eight-digit DUA number. Once on the site, the employer can enter its DUA number and then select the relevant filing year/quarter. Once the filing year is selected, a link to the relevant filing instructions appears.

#### Due Dates

As noted above, the first quarterly filing is due February 15, 2009. This filing takes into account the period beginning October 1, 2008 through December 31, 2008. Subsequent filings are due May 15, August 15, and November 15, 2009. The Massachusetts FSC web page indicates, however, that the DUA may not require employers to file for these subsequent quarters in 2009 if they are not liable for a contribution by reference to the February 15 filing.

#### Related Changes To Be Aware Of

Prior to 2009, the FSC filing provided information necessary to determine whether the employer made a "fair and reasonable" contribution toward the health insurance costs of its employees. If the employer did not make a "fair and reasonable" contribution, it was required to pay into a state health insurance trust fund. An employer was deemed to make a "fair and reasonable" contribution toward health insurance costs of employees if at least 25% of the employees at Massachusetts locations were enrolled in the health plan. If less than 25% of the employees are enrolled, the employer could be considered to make a fair and reasonable contribution if it provided at least 33% of the premium cost of any group health plan for its employees.

Beginning in 2009, a Massachusetts employer with more than 50 full-time employees will be deemed to make a "fair and reasonable" contribution toward the health insurance costs of its employees only if it meets both tests (i.e., at least 25% of its employees must be enrolled in the plan and the employer must provide at least 33% of the premium cost). In the alternative, an employer may satisfy these requirements if 75% of its fulltime employees are enrolled in the group health plan.

*The Employee Benefits Alert is intended to keep readers current on matters affecting employee benefits and is not intended to be legal advice. If you have any questions about this alert or any other issues relating to employee benefits, please contact **Kathryn English** at 412.566.1226, **Michael Herzog** at 412.566.6130, **Sandra Mihok** at 412.566.1903, **Brandon Richards** at 412.566.1263, or **Paul Yenerall** at 412.566.1944.*