



It Benefits You Your Employee Benefits Newsletter

January 2022

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Welcome to the January 2022 Edition of *It Benefits You!*

A new year is upon us, and we couldn't be more excited to kick off 2022 with our first *It Benefits You* publication of the year! Our McGriff monthly newsletter allows us to bring you timely, helpful, and most importantly, actionable information.

The employee benefits landscape continues to be complex. The compliance implications of the Consolidated Appropriations Act - concerning transparency, plan amendments and deadlines - are being felt for the first time. We expect vaccinations and return to work considerations will continue to be hot topics in a rapidly changing world.. We are constantly reviewing proposed legislation to determine the potential impact on your employee benefit plans. We will continue to bring you guidance related to these topics in *It Benefits You*, as well as other timely issues and compliance deadlines as they arise.

We will also continue to share information to help you better manage your business! We are proud to announce that we will be releasing our second annual McGriff Employer Benefits Trends Survey results in 2022. The survey will provide insights from employers across the country and address questions such as: What keeps you up at night? What are your greatest concerns and challenges? What has changed since last year? At McGriff, we use this information to help customize your benefits strategy within the national landscape.

We expect 2022 to be an exciting year and we look forward to partnering with you in the year ahead. We thank you for the trust you have put in us, and we look forward to serving you!

Sincerely,

Jon Trevisan

McGriff National
Employee Benefits
Practice Leader



Upcoming Compliance Deadlines

January



Form W-2 Reporting Cost of Employer-Sponsored Health Coverage

Under the ACA, employers who issued 250 or more W-2s in the prior calendar year are required to provide employees with the aggregate cost of employer-sponsored group health plan coverage on employees' Forms W-2. Currently the reporting is optional for employers who file fewer than 250 W-2 forms.

February



IRS Transmittal of Forms 1094-B/1095-B & 1094-C/1095-C

An Applicable Large Employer (ALE) must file Form 1094-C, as well as the 1095-C forms sent to all full-time employees with the IRS by February 28, 2022. A self-funded employer with under 50 full-time employees will file Form 1094-B, as well as the 1095-B forms sent to employees covered under the employer sponsored health insurance plan. (March 31 electronic filing deadline for employers filing 250 or more forms.)

March



IRS Forms 1095-B/1095-C Due to Individuals

A self-funded employer (including level-funded) with less than 50 full-time employees must provide 1095-B individual statements to full-time employees covered under their group health plan. The IRS now allows a self-funded non-ALE employer to meet this obligation using an alternative manner of furnishing. The reporting entity must post a clear and conspicuous notice on its website stating that responsible individuals may receive a copy of their statement upon request. See special alert [HERE](#) for more details about this alternative method of furnishing statements.

An ALE must provide 1095-C individual statements to full-time employees with specific information relating to each employee's offer of coverage for every month during the 2021 year. This original deadline of January 31 is now permanently extended to March 2.



Announcing... ThinkHR is now MINERAL!

As 2022 begins, many companies are evaluating their available resources and planning their path forward. With that in mind, McGriff is proud to announce that ThinkHR – a web-based resource available for our valued employee benefits clients, is becoming **Mineral!**

Your existing ThinkHR account will receive the enhanced Mineral platform upgrade in late January - with no interruption to your service! You will continue to have access to:

- Experienced Live Advisors - a team of senior-level HR experts standing by to answer your questions or provide advice on virtually every HR or compliance-related issue;
- Comply - an award-winning online resource center for all of your workforce issues;
- Learn - a robust learning management platform with over 300 prepared courses.

Your unique user name and password will remain the same but your experience will be enhanced with new features like policy reviews, a customized newsfeed based on applicable state law, and a running to-do list of actionable items pursuant to changing state and federal regulations.

Join us on **JANUARY 18, 2022 at 2 p.m. EST** as we discuss the new exciting changes and provide a refresher of all of the existing resources available to you as a McGriff Employee Benefits client through Mineral! [Click here to register!](#)

COVID-19 Vaccines: Solution Providers

In the last half of 2021, President Biden announced several different COVID-19 vaccine mandates in an effort to stop the spread of the virus and minimize hospitalizations and death from the disease. These varying mandates apply to health care providers, federal government contractors, and employers with 100+ employees. We have prepared a [Vaccine Mandate Comparison Chart](#) summarizing some of the major provisions of the various federal vaccine mandates.

On December 17, 2021 the 6th Circuit Federal Court of Appeals reinstated the Occupational Safety and Health Administration's (OSHA) emergency temporary standard (ETS) for COVID-19. The court's decision reverses the stay ordered in November by the 5th Circuit and allows OSHA to resume ETS implementation and enforcement nationwide. [Click here](#) for additional information and important deadlines. Please note that litigation over these mandates is ongoing and subject to change. Additionally, state laws may also affect employers' compliance responsibilities.

To make your lives easier as you continue to grapple with the evolving demands of the COVID-19 management landscape, **we've partnered with Peak Health to identify the top solutions based on select criteria such as cost, support, breadth of offering (mandate requirements and beyond, if needed), and customizability to client needs.** Please contact your McGriff Benefits Consultant to learn more about these options.

Nirav Desai

McGriff - Peak Health Managing Director



Preparing the Workplace for Another Challenging Year

As we enter the new year, the risks of COVID-19 may recede, but the trauma, pain, and disruptions of these past two years will still be with us, affecting our lives and our work. We've all struggled, sometimes in ways we can't pinpoint.

In her book *Bearing the Unbearable*, Joanne Cacciatore describes grief as "a process of expansion and contraction." Cacciatore explains that in a moment of contraction, we may feel unsteady and unsafe, and we "feel the call to self-protect." In a moment of expansion, we "become more willing to venture out and explore" and "take risks." This process isn't exclusive to grief, of course. Whatever the cause, many of us right now are experiencing one or the other, or both.

A recent guest on the HR Social Hour Half Hour Podcast, Julie Turney, founder and CEO of HR@Heart Consulting, observed that people today recognize that they deserve better, and they are demanding better. They are less willing to settle, less comfortable with the way things are. People are fleeing jobs that are physically or psychologically unsafe. Others are chasing their dreams with a newfound passion.

For the foreseeable future, people will seek environments that are both flexible and strong enough to support a process of contraction and expansion. They will desire work that gives them a safe place to be and a fulfilling place to go. They will crave a future they can own and a course they can chart, and their jobs will either help or hinder them. Jobs that help them will be in high demand.

Fortunately, such sought-after work environments can be achieved with some basic practices. Let's look at some.

Talk About the Future

Ask your managers to talk regularly with their direct reports about how they're feeling today and what they'd like to be doing in the future. Due to the circumstances, you can expect the answers they hear to vary and to change. On a given day, an employee may feel optimistic and ambitious, eager to take on a new project or a new role. But a week later, that same employee may feel hesitant or anxious about taking on any new responsibilities.

Don't assume an employee expressing conflicting feelings isn't up for the task at hand. In normal times, it's natural to second guess big decisions, and these are not normal times. Some employees may need a little extra encouragement. Others may truly be happier continuing to do what they've been doing.

Through these conversations, managers can help their people make informed decisions about their future that make sense for them and for the company.

Don't Be Afraid to Set Deadlines

Giving employees time to decide what future makes the most sense for them can go a long way to building trust and gratitude. There will come a time, however, when a decision needs to be made. A manager who has been talking with a member of their team about a new career opportunity in another part of the company, for example, will need a definitive answer eventually, probably sooner rather than later.

Continued





When a manager has a conversation with a team member about opportunities for growth that require significant change, they should, as soon as possible, make it clear to the employee when a final decision needs to be made. That way the employee has a set timeframe to work through their feelings, and a deadline isn't unexpectedly thrust upon them.

Provide Grief Support

A lot of people are grieving, and grief takes work. People grieving need the time, space and freedom to do that work. The option to take bereavement leave after a loss can be invaluable to them, but so too is the liberty to take days off down the road when they're needed. The grieving process isn't linear, and the unbearable pain of grief can resurface unexpectedly, months and years later. The life of grief is long. Whatever you can do to enable employees to safely take the time they need to process a loss and heal, do it.

Take Care of Yourself and Your HR Leaders

Lars Schmidt, founder of Amplify, points out that, while the "market for HR roles has never been hotter," the work of HR has taken a "sustained toll" on those doing that work. They're "carrying the emotional burdens of their employees (and their own)." Burnout is common.

Be sure to give yourself and anyone else caring for your people time to rest, recharge, grieve, or whatever else each of you needs to do to stay healthy. "Resilience is not an infinite resource," executive coach Sarah Noll Wilson reminds us. Take time off. You need it, too.

Don't Take Departures Personally

When an employee leaves an organization, it's always a good idea to understand why and consider what changes you could have made to keep them. What you learn may not

persuade that employee to reconsider their departure, but it may assist you in keeping others. That said, sometimes employees quit and there's nothing you could have done to convince them to stay. The best possible workplace in the world will still see people go elsewhere simply because those people want a change or because of circumstances beyond their control.

When your employees tell you they're leaving, do your due diligence to find out why, but don't overthink their departures or take them personally. If everything was good and they still left, that just means everything was good and they still left. It doesn't mean that you didn't do enough or should have done something differently. Believe in the work you're doing. Be kind to yourself. As Lars Schmidt says in his book *Redefining HR*, "we're on the front lines of the highest of highs and the lowest of lows of all our employees."

Inspire Hope

Whether we feel the strong urge to self-protect or we're jumping out of our seat to pursue a risky venture, we could all use a little hope. The philosopher David Utsler writes, "Hope offers no guarantees. Hope does not promise that life or the world will get better. Hope only insists on the possibility."

You can inspire hope by expanding the scope of what is possible for your employees. Talk with them about their dreams and ambitions so they can imagine what possibilities lie before them. Talk about where your company is going and what you'll need from your employees. Help them envision a place where they can explore, take risks, and be supported.

Then work together to get there.

This article was published on December 1, 2021 by our strategic partners at ThinkHR (authored by Kyle Cupp) and reprinted with permission.

McGriff Compliance Q&A – Is My “Church” Plan Exempt from ERISA?

Most employer-sponsored group health plans are subject to the Employee Retirement Income Security Act (ERISA), which includes fiduciary, reporting and other requirements. ERISA allows for two types of employers to be exempted: government plans and churches. The “church plan” exemption allows plans established or maintained by a church or those maintained by a “principle purpose organization” to escape being subject to ERISA requirements, but what qualifies under the church plan exemption often requires a legal determination. [Click here](#) to learn which plans might qualify for this exemption.

The McGriff Compliance Team is dedicated to keeping our clients up to date on changing regulations and compliance requirements, answering questions and helping to mitigate risks. Reach out to your McGriff Benefits Consultant with YOUR compliance questions!



Stephanie Raborn, JD

McGriff Employee Benefits Compliance Officer



Making Sense of Incentives – A Wellness Discussion

January is often a time for a refresh, and of course, a time for making resolutions for the year ahead. While motivation and enthusiasm will naturally ebb and flow, building better habits and tapping into determination fosters the commitment to produce better outcomes. This is not an easy task, especially when it comes to employee well-being, and often where employer-sponsored wellness program incentives come into play. But, are we using incentives effectively? Are there small changes that we can make to make incentives more impactful and less transactional? [Click here](#) as Katie O’Neill, McGriff Clinical Wellness Practice Leader, discusses how to make sense of wellness program incentives.



McGriff’s 2022 National Benefit Trends Survey – Coming This Month!

McGriff is planning our 2nd annual National Benefit Trends Survey, and we want to hear from you! This year, McGriff will dig deeper to learn more about the strategies organizations like yours are using to address the benefits challenges of the day. Some topics include: Virtual care, mental health, employee retention strategies, recruitment of new employees, employee well-being, and more! Be sure to mark your calendars for the third week of January and be on the lookout for an invitation from our national survey team to participate!

Top Ten Most Expensive Prescription Drug Therapies in 2022



The world's most expensive drug, Zolgensma, entered the market in 2019 with a price tag of \$2.125 million for a one-time treatment. This life-changing gene therapy brought hope to families dealing with a genetic disease that caused a severe and life-threatening spinal disease in their children. Slightly less expensive was Luxturna, a curative gene therapy for a retinal disorder causing blindness, with a one-time cost of \$850,000.

Other high-investment therapies, such as Myalept, used on an ongoing basis, cost more than \$40,000 per month. Many drug therapies require administration by a healthcare professional and process under the medical benefit. These include Factor infusions for hemophilia, cancer treatments, and gene therapies.

Plan sponsors may consider management of drugs across the medical and pharmacy benefit differently for these high-investment treatments. There is the potential to pull drugs from medical over to the pharmacy benefit to have more visibility on unit cost, and overlay clinical utilization management programs across all drugs used to treat a certain condition.

As an example, let's consider rheumatoid arthritis - a chronic condition requiring ongoing therapy to reduce inflammation and progression of the disease. Popular treatments under the pharmacy benefit include self-injectable medications like Enbrel, Humira and Xeljanz, which cost an average of \$9,000 per month. Remicade, a drug infusion managed under the medical benefit, costs an average of \$6,000 dosed every two months once a maintenance regimen is established. This equates to \$36,000 per year, compared with Enbrel or Humira at \$108,000 per year. If a plan sponsor pulls all drugs under the pharmacy benefit, they could steer members to use Remicade before the other more costly self-injectables. This would generate an average annual savings of \$75,000 per member.

1. Zolgensma (\$2,125,000) is approved to treat spinal muscular atrophy (SMA), a rare childhood disorder that causes muscular erosion, which can lead to lung infections and muscle weakness. The incidence of SMA is relatively low at approximately 1 in 10,000 live births, but it is the leading genetic cause of infant mortality. Zolgensma is designed as a curative, one-time therapy for infants.

Unique reimbursement models, to accommodate this high-cost treatment, have been developed. Annuity payments over a five-year period and delayed reimbursement to make sure the therapy works have allowed employers and medical carriers some relief. Cigna's Embarc program is another option for plan sponsors. It is a type of shared risk network which may be adopted for \$0.99 PMPM (per member per month) to establish full coverage of the drug and treatment for both Zolgensma and Luxturna. This program will expand as more gene therapies enter the market.

2. Carbaglu (\$1,598,822) is approved to treat hyperammonemia, a urea cycle disorder caused by lack of a certain liver enzyme, which elevates ammonia levels. While Carbaglu is an oral medication, it is only available from specialty pharmacies. Incidence is estimated at 1 in 25,000 live births. The pricing of Carbaglu is dependent on the weight of the patient, as it is dosed per kilogram.

3. Procybsi (\$1,085,160) is used to help preserve kidney function and manage kidney damage and other problems in people with an inherited disorder that causes build-up of a certain natural substance (cystine) in the body (nephropathic cystinosis). Cystine buildup can lead to kidney problems, slow growth, weak bones, and eye problems, etc.

Nephropathic cystinosis is an autosomal recessive metabolic disorder. It is a rare disease with a lifelong impact on the patient. The yearly incidence of nephropathic cystinosis is 1 in 200,000 live births and its prevalence is ~1.6 per million population. The listed price is based on a maintenance dose of 2,100 mg per day, divided every 12 hours.

4. Zokinvy (\$1,032,480) is used in patients who are at least 1 year old to lower the risk of death in Hutchinson-Gilford Progeria Syndrome (HGPS). HGPS is a rare disease that causes premature aging. HGPS is reported to occur in 1 in 4 million newborns worldwide. Zokinvy is the first and only treatment approved for HGPS.

Only 130 cases have been reported in scientific literature since the condition was first described in 1886. Most patients die before the age of 15 from heart failure, heart attack or stroke. Compared to untreated patients, the lifespan of HGPS patients treated with Zokinvy increased by an average of 3 months through the first 3 years of treatment and by an average of 2.5 years through the maximum follow-up time of 11 years.

5. Danyelza (\$977,664) was approved in 2020 to treat cancer of the bone marrow. Danyelza belongs to a class of drugs known as monoclonal antibodies. It works by slowing or stopping the growth of cancer cells.

The incidence of neuroblastoma is 10 cases per 1 million children under 15. Nearly 500 new cases are reported annually. Danyelza is given intravenously by a health care professional and is considered an orphan drug.

6. Myalept (\$889,904) is used to treat leptin deficiency. This syndrome is a rare body of diseases for which prevalence is currently estimated to be 1 to 5 cases per million people in the U.S. yearly. Myalept is used to treat a condition of abnormal fat distribution in the body.

It is self-administered once a day, and patients typically use 14 vials per month at a list price of \$5,297 per vial, bringing the yearly cost to \$889,904. To help lower the cost, Aegerion Pharmaceuticals offers a copay card to assist commercially insured patients.

7. Luxturna (\$850,000) is a gene therapy which treats an inherited retinal disease that causes blindness. It affects approximately 1,000 to 2,000 patients in the U.S. yearly. A specialist injects one vial into each eye at \$425,000 per vial. Patients should only need one dose of Luxturna in their lifetime.

8. Folutyn (\$817,865) is approved to treat peripheral t-cell lymphoma, a rare blood cancer. Incidence is less than 1 case per 100,000 people in the U.S. Folutyn is given by intravenous administration. The annual cost averages \$817,615.

9. Amondys 45, Exondys 51, Vyondys 53 (\$748,800) are intravenous drugs indicated for the treatment of Duchenne Muscular Dystrophy, a rare disease caused by over 2,000 mutations of the dystrophin gene. The disease leads to progressive loss of skeletal and cardiac function and ultimately death. Because all three are priced the same, and for the same indication, we opted to include them together. Prevalence is estimated to be 1 in every 3,500 live male births with onset between 3 and 5 years of age.

10. Brineura (\$730,340) is the first FDA-approved treatment for Batten Disease, a rare pediatric brain disorder that causes seizures, loss of muscle coordination and vision loss. Estimated prevalence is 20 children born with the disorder each year. Affected children lose their ability to walk and talk by the age of 6, and often die before 12 years of age.

Brineura is administered into the cerebrospinal fluid by infusion through a catheter in the head. To support early testing for children, BioMarin offers free genetic testing through Behind the Seizure.

If you are interested in discussing pharmacy trends and costs, reach out to your McGriff Benefits Consultant today!



Denise Cabrera
McGriff National Pharmacy Practice Leader

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