

Weekly Digest

• January 22, 2024 •

DOL Increases Civil Money Penalties for 2024

"The final regulations' higher penalty amounts apply for penalties assessed after January 15, 2024, whose associated violations occurred after November 2, 2015. The following DOL table illustrates which penalty level applies, keyed to when the underlying violation occurred and when the resulting penalty was assessed." [Full Article](#)

Thomson Reuters / EBIA



New Rule on Independent Contractor Classification Will Have Profound Impact on Businesses

"The rule fails to provide a realistic solution for the frequent scenario where workers who desire to be independent contractors choose themselves to be 'economically dependent' on work made available to them by one company, such as an ongoing business relationship between a vendor and its customer. As such, the rule is likely to create more uncertainty for companies that utilize legitimate independent contractor relationships to carry out their business functions." [Full Article](#)

Holland & Knight LLP

In This Digest

PAGE 1

DOL Increases Civil Money Penalties for 2024

By, Thomson Reuters / EBIA

New Rule on Independent Contractor Classification Will Have Profound Impact on Businesses

By, Holland & Knight LLP

PAGE 2

DOL Proposes Rescinding Prior Rule Relating to Association Health Plans

By, Groom Law Group

Form 5558 Will Be Postponed for Electronic Filing Through EFAST Until Jan. 1, 2025

By, Internal Revenue Service [IRS]

Must Our Plan Offer COBRA Coverage to Spouses and Dependents Whose Coverage was Dropped at Open Enrollment?

By, Thomson Reuters / EBIA

HIPAA Breach Notifications — A Question of Timing

By, Ballard Spahr LLP

DOL Proposes Rescinding Prior Rule Relating to Association Health Plans

"The preamble to the Proposed Rule indicates that that the DOL considered revising the rule to strip out the provisions the District Court vacated, but concluded the AHP Rule could not be applied in any meaningful way without those provisions.... The preamble also states the DOL is not aware of any AHPs that currently exist in reliance of the AHP Rule." [Full Article](#)

Groom Law Group



Form 5558 will be Postponed for Electronic Filing Through EFAST until Jan. 1, 2025

"Due to IRS administrative issues involving the EFAST2 system, the IRS is postponing electronic filing of Form 5558 through EFAST2 until Jan. 1, 2025. Plan sponsors and administrators should continue to use a paper Form 5558 to request a one-time extension of time to file a Form 5500 series or Form 8955-SSA (up to 2½ months after the normal due date for Form 5500s or Form 8955-SSA)." [Full Article](#)

Internal Revenue Service [IRS]

Must Our Plan Offer COBRA Coverage to Spouses and Dependents Whose Coverage Was Dropped at Open Enrollment?

"Question: When employees drop coverage for dependents or spouses under our company's group health plan during open enrollment, our practice has been to provide the dropped individuals with COBRA election materials. However, our new COBRA TPA says this is not necessary. Must our plan offer COBRA coverage to these individuals?" [Full Article](#)

Thomson Reuters / EBIA



HIPAA Breach Notifications — A Question of Timing

"Providing notice of a vendor's HIPAA breach is often difficult, but it can be particularly hard when information is delayed. Sometimes an investigation takes months to complete, and the HIPAA deadline for providing notice may have passed before a health plan or health care provider even knows who was affected by the breach and is entitled to notice. Plan administrators and health care providers will need to consider how and when they can provide appropriate notice..." [Full Article](#)

Ballard Spahr LLP