

# MidAmerica 403(b)ulletin

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## EMPLOYEE PLANS COMPLIANCE RESOLUTION SYSTEM (EPCRS)

The 1st Quarter of 2013 has been full of updates from the IRS with regard to 403(b) plans. On December 31, 2012, the IRS released Revenue Procedure 2013-12 which expanded the scope in which a 403(b) plan can use the Employee Plans Compliance Resolution System (EPCRS) to correct plan defects effective April 1, 2013. The EPCRS system has been available many years for 401(k) plans and is an effective tool to help maintain plan compliance should a mistake occur. Plan corrections performed through the EPCRS system generally receive much more favorable outcomes than when discovered in an audit performed by the IRS.

## PLAN DOCUMENT UPDATES

On March 28, 2013, the IRS released the eagerly awaited Revenue Procedure 2013-22 which establishes pre-approved plan document language for 403(b) plans effective April 29, 2013. Accompanying the Revenue Procedure, the IRS released sample verbiage in order to facilitate the modification or drafting of the plan documents submitted to the IRS for approval. Eligible employers adopting this pre-approved plan document language can be confident the provisions contained within it satisfy IRS Code Section 403(b) and the final regulations.

The IRS will accept applications of plan document updates beginning June 28, 2013 with the final submission deadline being April 30, 2014.

**For Clients Utilizing the MidAmerica Plan Document** – We will coordinate this petition with the IRS on your behalf so as to ensure your plan document remains in compliance. Once the IRS issues its approval of the plan document along with any required modifications, the 403(b) plan will need to be restated so as to adopt the authorized language. We will work directly with you to ensure this happens.

**For Clients Utilizing Another Plan Document** – Please confirm with your document provider that they will update your plan document appropriately. Once your plan document has been updated, please provide a copy of the restated document to us.

MidAmerica will continue to keep you informed and updated as we move forward with the 403(b) plan document approval process and any other developments that may impact your 403(b) Plan. In the meantime, if you have any questions or concerns, please do not hesitate to contact us at 866-873-4240 or by e-mail at 403bTPA@midamerica.biz.

## ACA COMPLIANCE REVIEW

In an effort to assist our current clients and other employers understand and comply with the provisions of the Affordable Care Act (ACA), MidAmerica has developed a new ACA Compliance Review service. The ACA Compliance Review will evaluate health plan offerings and test for compliance in the following areas:

- Affordability
- Pay or Play Coverage
- Nondiscrimination, including Coverage and Benefits
- Minimum Value (upon issuance of further guidance)
- Excise Tax on High-Cost Health Plans

Upon completion of the review, you will receive a formal report outlining your benefit structure and testing results. The report will determine if your existing health plan is in compliance with the new regulations and, if not, where you may be out of compliance. Recommendations and cost mitigation strategies will also be provided if any deficiencies are found. Additionally, should future guidance be issued by any of the agencies during any given testing year, your report will automatically be updated should the guidance affect any of the results.

We are pleased to offer this new service. For more information, just give us a call at 855-279-9603 or email ACATesting@midamerica.biz.



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