

COMPLIANCE

Delayed transparency enforcement gives plans some breathing room

by Matthew Morbello, CCO



Matthew Morbello, JD, is chief compliance officer and in-house counsel for BeneSys Inc.

The Departments of Labor, Health and Human Services, and Treasury on August 20 issued FAQs on implementation of the Transparency in Coverage rule and No Surprises Act that give our clients a little breathing room on some deadlines. Here's a summary.

What has changed

- Probably the biggest impact of the FAQs is that enforcement of the advance EOB requirement has been deferred pending additional guidance. Consistent with this change, the requirement that providers make available good faith estimates of the cost of service has also been delayed.
- Online and telephonic price comparison tools are now not mandated until the 2023 plan

year. This change eliminated duplicative efforts already required in 2023 by the transparency rule.

- Plans have until July 1, 2022, to make available machine-readable files with in-network rates and out-of-network allowed amounts. The requirement that plans also provide machine-readable files with prescription drug negotiated rates has been delayed pending additional guidance.
- Plans will have until December 27, 2022, to report 2020 and 2021 prescription drug cost data.

What hasn't changed

- The rules for surprise bills related to in-network cost sharing by ancillary providers, air ambulance



BeneSys has been working with clients and their vendors to implement the plan design changes required by the beginning of the 2022 plan year.

providers, and out-of-network emergency services will be implemented as originally scheduled beginning with the 2022 plan year. Plans are expected to make good faith efforts to comply.

- Effective with the 2022 plan year, a prudent layperson standard for emergency services will be implemented as well as an expanded definition of *emergency services*. As plans enter their new plan year, they will no longer be able to deny emergency services based on diagnosis or procedure codes.
- New ID cards detailing in- and out-of-network deductible and maximum out-of-pocket amounts must still be issued by the beginning of the 2022 plan year.
- Provider network directories must be made available and updated thereafter as originally scheduled for the 2022 plan year. Again, plans must make a good faith effort to comply.

- The continuity of care provisions — requiring plans to continue to cover some services in-network after a provider is removed from the network — apply for the 2022 plan year.
- Plans may not enter contracts that bar plans from sharing provider-specific cost or quality of care information with Participants. This is already in effect.

BeneSys priorities

BeneSys has been working with clients and their vendors to implement the plan design changes required by the beginning of the 2022 plan year. This includes ensuring that either the PPO is providing new ID cards or the cards are produced and ready to distribute timely. BeneSys plan managers will be reaching out to our clients to ensure each plan's *emergency services* definition is consistent with the No Surprises Act and is included in their plan build. •

This article is provided for informational purposes only and does not constitute legal advice. Readers should consult with their own legal counsel before acting on any of the information presented.

LEADERSHIP

Finance exec promoted to CFO

Andy Orr was recently promoted from senior vice president of Finance to chief



financial officer at BeneSys. He brings to the CFO position 30 years

of finance, strategic planning and operational experience, including over 10 years in senior leadership roles. Andy looks forward to continuing to grow and improve our internal operations.

EXPANSION



New office to open in suburban Chicago

Our new benefit office in the Chicago area will be open for business in January 2022. This location will give plan Participants in the area access to walk-in services provided by 12 knowledgeable benefit specialists. The office — located at 9550 W. Higgins Road, Suite 310, in the city of Rosemont — is near O'Hare International Airport and 15 miles from downtown Chicago.

Ever vigilant: Our latest updates in cybersecurity

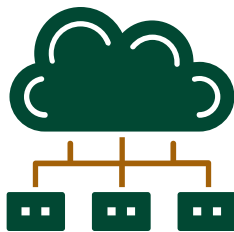
by Jeff Spires, CIO



Jeff Spires is chief information officer at BeneSys Inc.

One of the hottest topics in our industry is the U.S. Department of Labor's April 14 guidance on ERISA plan sponsors and fiduciaries regarding best practices for maintaining cybersecurity. The guidance reaffirms what we already know about the importance of a cybersecurity program, which includes disaster recovery and business continuity.

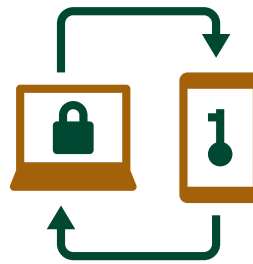
BeneSys places the protection of client assets at the forefront of our responsibilities and has continually made improvements to our cybersecurity program over the past several years. Following are highlights of projects we've undertaken in 2021.



Moving to the Azure cloud

Our largest initiative this year involved moving BenefitDriven to Microsoft Azure cloud. While we hoped this change would be completely seamless with minimal disruption, I know that many of our clients experienced challenges during the move,

and I personally apologize for those challenges. The goal of moving to the Azure cloud is to improve our disaster recovery, business continuity and security capabilities. The cloud environment removes our dependency on physical hardware, meaning we add immediate redundancy in network and infrastructure, and we can more rapidly respond to physical system failures, improve restore/recovery times, and take advantage of on-demand system capacity.



Adding multifactor authentication

We have completed multifactor authentication (MFA) enforcement for any user with elevated privileges (i.e., administrators) to our internal systems. Instead of needing only a username and password to sign in, MFA requires one or more additional verification factors unique to the user, such as a code received by text or email or the use of a security token, dramatically improving account security.



Conducting phishing tests and training

We enhanced our email system by adding features to alert our employees of potential phishing and by expanding quarantine options of high-risk emails. We also conducted phishing tests and new training to better equip our employees and increase awareness of cybersecurity risks.

Technology changes on an almost daily basis, so we must continually evaluate and update our approaches to cybersecurity. In this quarter, our IT team plans to roll out an even more formalized cybersecurity training and awareness program. Over the next 18 months, we will continue to transition our ancillary and supporting systems from our private data center to the Azure cloud. We are currently finalizing our three-year cybersecurity road map to plan for improvements, new capabilities and areas of focus over that time period. In December, we'll provide an update to the BeneSys Data Security Summary we shared with clients in June.

To learn more about our cybersecurity program and how BeneSys keeps your Participants' information safe, talk with your plan manager. •

Trending toward a better place

by Ed Wolyniec, CEO



The end of 2021 is fast approaching, and the holidays are right around the corner. For many people, myself included, this time of year usually brings opportunities for rest and reflection. When thinking back on 2021, COVID-19 of course takes center stage, again. With increasing vaccination rates and reduced spread of the virus being reported (as of late October), these are positive signs that we are trending toward a better place. In the meantime, we await OSHA guidelines regarding workplace vaccination and testing. BeneSys reinstated a mask mandate for all employees,

visitors and member walk-ins in late summer and continues with this policy.

In other news, our IT staff continues to keep cybersecurity at the fore. The migration of our record-keeping systems to Microsoft Azure cloud is complete, adding security to our environment — and yours — as well as vital scalability and redundancy. Read more about this, and other recent cybersecurity improvements, in the article from our CIO, Jeff Spires, on page 3.

Finally, happy holidays! I sincerely wish you and yours a safe and restful holiday season as we prepare for the start of a new year. •



New video highlights BeneSys capabilities

In partnership with Viewpoint with Dennis Quaid, the educational short-form public television series, BeneSys has created a five-minute capabilities video called “BeneSys: What We Do.” The video highlights the evolving world of benefit administration — including Participant expectations — and how BeneSys uses the latest technologies to help clients meet the needs of their Participants. Watch “BeneSys: What We Do” at www.benesys.com/about-us/videos/.

ABOUT BENESYS

BeneSys has been providing Taft-Hartley trust fund administration and IT services since 1979. Our dedicated specialists understand the nuances of Taft-Hartley benefit plans, and our software system, BenefitDriven, is designed to give our clients and their plan Participants the most efficient tools for self-administering trust fund accounts.

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