

Year-End Compliance Checklist

September & October

- ☐ Distribute Medicare Part D notices by October 15th
- ☐ Create a timeline for Performance Reviews and determine merit % pool and/or COLA
- ☐ Confirm with payroll that W-2's wages have been reviewed and audited for accuracy
- ☐ Remind staff to schedule and use Paid Time Off (if policy is use or lose at year-end)
- ☐ Remind employees to use their FSA and DCA funds (for calendar year plans)
- ☐ For calendar year plans, begin planning for Open Enrollment (Carriers, Plans, Plan Designs, Cost Sharing, and FSA, DCA and HSA Plan Limits)

During Open Enrollment (for calendar year plans):

- ☐ Distribute updated Summary of Benefits and Coverage to all enrolled members (both active employees & COBRA participants)
- ☐ Update wrap documents and SPDs with updated plan information (if there are any changes)
- ☐ Distribute updated ERISA notices and updated SPDs to employees
- ☐ Ensure medical plans meet ACA affordability testing requirements
- ☐ Update least expensive employee-only premium rate in ACA portal as needed (some require annual update)

December

- ☐ Impute income for domestic partners and group term life insurance. Use the chart in IRS Section 79 and the ages of employees on the last day of the tax year. You can find more details here:
<https://www.irs.gov/government-entities/federal-state-local-governments/group-term-life-insurance>
- ☐ For disability plans with tax choice or gross up, tax employees on total annual premium
- ☐ For MA employers with a calendar-year privatized MA PFML plan, apply or re-apply for the state exemption through MA Tax Connect
- ☐ Complete Health Insurance Disclosure (HIRD) Reporting. For MA employers, file the HIRD form through MA Tax Connect by December 15th
- ☐ Conduct nondiscrimination testing, if required, for FSA, DCA and retirement plans.
- ☐ Update salaries with life and disability carriers, and age bands for voluntary insurance carrier
- ☐ For MA employers, redistribute updated MA PFML notices before December 31st, and update payroll contributions (In 2027, MA is shifting employer contributions from medical to family leave.)

By Year-End

- ☐ Review and update Labor Law posters, as necessary
- ☐ Review and Employee Handbook with any policy changes or new regulations
- ☐ Update/purge employee personnel records per state and federal guidelines
- ☐ Conduct annual compliance training as required, such as anti-harassment and OSHA training
- ☐ Prepare for any newly added State paid leave programs (For example: Maryland payroll deductions begin 1/1/27.)

First Quarter

- ☐ Distribute W-2's (active and terminated employees from the prior year)
- ☐ Submit Medicare Part D Disclosure to CMS. Plan sponsors must complete the online disclosure within 60 days after the beginning of the medical plan year: <https://www.cms.gov/Medicare/Prescription-Drug-Coverage/CreditableCoverage>
- ☐ For applicable large employers (50+ FTE's) and level-funded medical plans under the Affordable Care Act (ACA), post notice of availability of ACA statements to individuals by March 2 and furnish statements within 30 days of request. (Furnish paper statements in states where still required.) File returns with the IRS by February 28 (March 31 if filing electronically)
- ☐ For employers with 250+ W-2's, include mandatory insurance disclosure in W-2's
- ☐ For employers with 100+ employees, complete EEO-1 reporting by March 31 - Expected start of portal submission April/May
- ☐ Complete and post (February 1 – April 30) OSHA 300A Summary of Work-Related Injuries & Illnesses (all establishments covered by Part 1904)

Questions? Contact Us!