cpi lights

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Jon I. Cyganiak
President

This coming year is one of change.

We have a new administration with a different vision from the last. There are new personalities in key offices that bring a sense of uncertainty. But we've also been here before.

I'm moving into a new role within Cyganiak Planning Inc. I aspire to keep my father's vision of what the agency is to our clients yet bring a fresh perspective on how we can grow and innovate. Our staff remains the same and continue to be dedicated to helping you and your employees.

Change is inevitable. How you deal with that change is what makes the difference.

2025 will be a time to grow and change while adapting to the new and unknown.

Thanks for continuing to read CPILights!

If you would like to submit an idea or comment in writing, you can reach me at jicyganiak@cyganiakplanning.com

Regards,

Jon I. Cyganiak

Jon I. Cyganiak
President

RETIREMENT PLAN ANNUAL CONTRIBUTION LIMITS 2025

	Contribution Limits		Catch-up Contributions	
	2024	2025	2024	2025
401(k), 403(b) plans	$23,00	$23,500	$7,500/ $11,250	$7,500/ $11,250
Total Contributions: Maximum participant/employer contributions combined is lesser of 100% compensation or $70,000.				
SIMPLE IRA Plans	$16,000	$16,500	$3,500/ $5,250	$3,500/ $5,250
Traditional or Roth IRA	$7,000	$7,000	$1000	$1000

*Catch-up for participants aged 50 – 59/60 – 63 in the year for which the contribution is made. Amount is added to Total Contributions amount.

Managing Editor: Laura Bagin

EMPLOYER COVERAGE REPORTING
Legislation Reduces the Burden

Congress passed two bills to reduce the burden of employer reporting related to the Affordable Care Act that President Biden signed into law on December 23, 2024. These bills pack a big punch as they significantly reduce the employer (and carrier) responsibilities for Form 1095-C (and Form 1095-B) reporting.

The **Paperwork Burden Reduction Act** provides an alternative furnishing method for Forms 1095-C and 1095-B, offering additional flexibility to employers and carriers responsible for sending these Forms to covered individuals.

Currently, most large employers are required to provide a Form 1095-C to full-time employees. For employers that are self-funded (including level-funded), the employer is required to furnish a Form 1095-C (or Form 1095-B) to any primary insured. In most cases, these Forms are mailed to the home address of the employee or furnished electronically with appropriate notice and consent.

The new law states that employers are no longer required to furnish Form 1095-C or Form 1095-B to covered individuals unless it is requested.

Employers (or carriers) that take advantage of this relief must:

- Ensure any request for an applicable Form is fulfilled by the later of January 31 or 30 days after the request is made; and
- Provide timely notice of the option. No guidance has been issued on the language for the notice or how it should be displayed or distributed. Employers should await this guidance before relying on this relief.

This law applies to statements with respect to any returns after 2023. This means, employers preparing reporting for calendar year 2024 can take advantage of this relief.

Note: Even though employers relying on this alternative furnishing method are not required to furnish a Form 1095-C to individuals (unless requested), the Forms 1095-C (and 1095-B) must still be completed and timely filed with the IRS along with a Form 1094-C (or Form 1094-B). All Forms 1095-C along with Form 1094-C for calendar year 2024 must be filed electronically with the IRS **by March 31, 2025**.

The second bill, the **Employer Reporting Improvement Act**, allows a date of birth to be used instead of a person's Social Security number on form 1095-C or 1095-B, and creates a Code to allow electronic delivery of the forms, if the individual consents.

It also provides 90 days, up from 30, for an employer to respond to an IRS assessment under the employer shared responsibility mandate relating to 50+ employers not offering appropriate health coverage. This extension only applies to penalties assessed for CY 2024. Anything assessed in 2023 or earlier is subject to the 30-response window.

And, finally it implements a 6-year statute of limitation for these assessments. Provisions are effective in tax years beginning after 2023.

Employers should consider if they want to take advantage of the new relief afforded under the Paperwork Burden Reduction Act. The IRS has not provided guidance on how to provide said notice. Therefore, given the **March 3, 2025 deadline**, employers may still need to furnish a 1095-C (or 1095-B) to meet state requirements. Then they can move to the "opt-in" method for CY 2025 reporting (due in 2026).

While these two bills provide welcome relief, the timing is not the most favorable.

You should not act or rely on any information contained herein without seeking the advice of an attorney or tax professional.

Source: Emerson Rogers, LLC.

In the SPOTLIGHT

A WHO'S WHO IN SUCCESSFUL BUSINESS

Cyganiak Planning, Inc. would like to recognize the physical growth, as well as the accomplishments of our clients. If you are expanding your human resources or your facility, please let us know. If you are participating in some community outreach or volunteer effort or have recently been recognized with an award, please contact your agent (262-783-6161) and we will share your achievements with our readers.

Congratulations to **Rashi Khosla**, Founder and CEO of **Mars Solution Group** for being named as a Top Executive / C-Suite Star in the Milwaukee Business Journal.

HEALTH INSURANCE AND MENTAL HEALTH COVERAGE: Trends and Challenges in 2025

Jon I. Cyganiak
President
CYGANIAK PLANNING INC

As we enter 2025, mental health coverage remains a critical topic in the health insurance landscape. Mental health challenges have been on the rise for years, with factors such as the COVID-19 pandemic, economic stress, and social isolation contributing to a growing need for mental health services. Health insurance providers and lawmakers are grappling with how to ensure mental health services are more accessible, affordable, and adequately covered.

TRENDS

1. **Parity Laws and Enforcement:** The Mental Health Parity and Addiction Equity Act (MHPAEA) has long required insurance plans to provide coverage for mental health and substance use disorder treatments that is no more restrictive than coverage for medical and surgical services. However, enforcement has been a challenge. The Biden administration has committed to increasing efforts to enforce parity, ensuring that mental health services are treated equally by insurers. In 2025, this is expected to see more stringent regulations and stronger oversight to ensure compliance.

2. **Telehealth and Virtual Mental Health Care:** The pandemic brought a surge in the use of telehealth for mental health services. Many insurers expanded coverage for virtual therapy and psychiatric care. In 2025, telehealth continues to be a vital tool, but insurers and policymakers are debating long-term coverage strategies. Will insurers continue to reimburse telehealth services at the same rate as in-person visits? Additionally, there are discussions about how telehealth can be expanded to reach underserved populations, including those in rural areas.

3. **Rising Demand for Mental Health Services:** As mental health disorders—especially anxiety, depression, and substance use—continue to rise, health insurance companies are under increasing pressure to expand access to mental health services. Mental health is being integrated more into primary care models, but many people still struggle to access appropriate treatment due to limitations in their insurance plans.

4. **Employer-Sponsored Health Plans and Mental Health Benefits:** More employers are recognizing the importance of mental health in the workplace. Companies are increasingly offering mental health benefits, including access to therapy, counseling services, and stress management programs. Some plans now include Employee Assistance Programs (EAPs) that offer confidential mental health services. However, coverage variation can leave gaps in care.

5. **Mental Health and the ACA Marketplace:** Under the Affordable Care Act (ACA), mental health services are one of the 10 essential health benefits that insurers must cover. However, affordability remains an issue for many individuals purchasing plans through the ACA marketplace. The Biden administration has worked to expand subsidies and increase affordability, and these efforts are expected to continue in 2025. This could make mental health services more accessible to low- and middle-income individuals.

CHALLENGES

1. **Coverage Gaps and Stigma:** Despite advancements, many individuals still face barriers to accessing mental health care. Some plans offer limited mental health coverage, while others impose high out-of-pocket costs. Even with Mental Health Parity laws, insurance companies may still impose treatment limits or prior authorization requirements for mental health services that do not apply to other forms of medical care.

2. **Shortage of Mental Health Professionals:** The mental health professional shortage, particularly in rural and underserved areas, exacerbates the challenges of accessing care. Many insurers struggle to create robust networks of mental health providers, which limits the availability of services for patients. Even if insurance plans cover mental health services, finding a suitable provider who accepts insurance can be a significant hurdle.

3. **Financial Strain on Insurers:** Mental health care is costly, and some health insurance providers are concerned about the rising demand for services. There is a delicate balance between ensuring adequate coverage and controlling costs. Insurers are looking for innovative ways to provide coverage without increasing their financial burdens, leading to a more cautious approach to mental health services.

As we move through 2025, mental health coverage will continue to be a significant issue. The trends suggest a growing emphasis on telehealth, integrated care, and stronger enforcement of parity laws. However, challenges like cost, provider shortages, and access remain persistent. For patients, especially those with chronic mental health conditions, ongoing advocacy and policy changes are crucial to achieving better mental health outcomes through insurance.

The ongoing evolution of mental health coverage reflects a growing recognition of mental health's importance and a push for insurers and policymakers to address the gaps that still exist. While progress is being made, especially with parity and telehealth, more work is needed to ensure mental health services are truly accessible to all who need them. The future of mental health coverage in health insurance hinges on continued reform, investment in the mental health workforce, and improved access for vulnerable populations.

THE Q & A CORNER

The Cyganiak Planning Q & A Corner takes questions that our agents and sales/service associates were asked and provides detailed guidance to help you understand and resolve similar scenarios at your workplace, should they ever arise.

QUESTION: What is a Pharmacy Benefit Management program and how does it affect a health insurance plan?

ANSWER: A Pharmacy Benefit Manager (PBM) is a third-party administrator who oversees prescription medication benefits. A PBM's primary responsibility is to bargain with drug companies, pharmacies, and other interested parties to reduce the cost of prescription medications and to oversee the distribution of those medications to patients. Depending on the sort of plan or program they are supporting, a PBM's specific duties may vary, however some typical duties include:

1. Clinical programs: To better manage the use of prescription pharmaceuticals and enhance patient outcomes, a PBM may provide a range of clinical programs. Examples include disease management programs, which concentrate on improving outcomes for certain disorders like diabetes or asthma, and medication therapy management programs, which assess a patient's medication regimen to identify potential drug interactions or other concerns. PBMs are essential to managing the cost and use of prescription medications in health insurance. PBMs can assist in lowering overall healthcare costs and raising the standard of care for plan members by negotiating cheaper drug prices and putting in place clinical initiatives to encourage the proper use of pharmaceuticals.
2. Processing claims: A PBM receives claims for prescription drug benefits and handles them, checking to see if the drug is covered by the plan, figuring out patient copays or coinsurance, and paying pharmacies for dispensed medications.
3. Formulary management: A PBM creates a formulary, or list of medications, that will be covered by the health plan's prescription drug coverage. The PBM bargains with drug companies to get the best pricing for the medications on the formulary and may employ a tiered structure to promote the usage of less expensive medications.

PBMs are essential to managing the cost and use of prescription medications in health insurance. PBMs can assist in lowering overall healthcare costs and raising the standard of care for plan members by negotiating cheaper drug prices and putting in place clinical initiatives to encourage the proper use of pharmaceuticals.

Disclaimer: Guidance provided above is opinion gathered from Cyganiak Planning Inc.'s Human Resources Advocacy Firm based on their research of specified topics and cannot be considered as legal opinion or legal fact. Please consult with your legal counsel for any specific and final guidance in any situation pertaining to your own company.

BEHIND THE SCENES

We are pleased to announce the addition of two new Sales/Service Associates to the Cyganiak Planning Team.

Rebecca Pelt is a Sales & Service Associate who works closely with Steve Flewellen and his clients with customer service and support. She has a deep-rooted goal to help individuals and groups that stems from her experience in customer service. Her professional career began by working in a financial advisory firm where she learned to understand and appreciate that there is not a "one size fits all" option.

Rebecca graduated from Gateway Technical College with an Associate's degree in Business Management and went on to earn her Bachelor's degree from the University of Wisconsin - Parkside in Business Management with a concentration in Human Resources.

Rebecca grew up in Racine, WI and now resides there with her husband, Christian. In her free time, she enjoys watching football, getting in a round of golf, or enjoying a comedy show.

Her extension is 303. rpelt@cyganiakplanning.com

Kimberly Gardner is a Sales & Service Associate who works closely with Jon I. Cyganiak to provide exceptional customer support, manage renewals, and assist with sales for their clients.

Kimberly's journey in the insurance industry began in 2004, where she provided comprehensive support to customers, agents, and providers at a company focused on individual and small group plans. In September 2007, she earned her Health and Life Insurance license, further expanding her expertise. Over the years, Kimberly has gained in-depth knowledge of clinical appeals, as well as complaint and grievance processes. She is committed to delivering top-notch client support with a focus on quality and care.

Outside of work, Kimberly lives in Wauwatosa with her husband, Michael. She enjoys cooking and baking, always on the lookout for new recipes to try.

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ADDING ANCILLARY BENEFITS AFTER MEDICAL RENEWAL

Eric Pierson
Sales Associate
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As businesses continue to navigate the complexities of employee benefits, one trend that has gained traction in recent years is the addition of ancillary benefits after the medical renewal process. Ancillary benefits are those extra offerings that complement the primary health insurance coverage, such as dental, vision, life insurance, disability, and wellness programs. While medical insurance often takes the spotlight during open enrollment periods, it's crucial that employers consider expanding their benefits packages to include ancillary lines once the medical renewal has been settled.

Here's why adding ancillary benefits can be a strategic move for employers:

1. **Improved Employee Satisfaction and Retention**
   The overall satisfaction of employees with their benefits package can significantly impact retention rates. Many workers value comprehensive benefits that go beyond just medical coverage. By adding dental, vision, or life insurance, employers can provide employees with the sense of security and well-being that extends beyond physical health. Offering ancillary benefits can also demonstrate that an employer is invested in their employees' health and quality of life, fostering loyalty and long-term commitment.

2. **Cost-Effective Ways to Enhance Benefits Packages**
   After the medical renewal, many employers are looking for ways to enhance their benefits offerings without incurring the high costs associated with expanding health insurance coverage. Ancillary benefits provide an affordable way to expand the benefits package. In some cases, these benefits can be offered on a voluntary basis, where employees pay a portion or the entire cost, allowing employers to provide additional value without bearing the full financial responsibility.

3. **Health and Wellness Promotion**
   Incorporating ancillary benefits like wellness programs or mental health coverage after the medical renewal allows employers to focus on the holistic well-being of their workforce. With rising concerns over mental health and chronic conditions, offering resources such as Employee Assistance Programs (EAPs), gym memberships, or telemedicine services can help reduce stress, increase productivity, and lower absenteeism.

   When employees feel their employer is supporting their overall health, it leads to a healthier and more engaged workforce. This proactive approach can contribute to fewer medical claims in the long run, benefiting both the employer and employees.

4. **Simplified Administration and Enrollment Process**
   While open enrollment for medical benefits can be overwhelming, offering ancillary benefits separately after the medical renewal may help streamline the process for both employers and employees. Employers can introduce new benefits in smaller increments, focusing on one or two offerings at a time. This approach minimizes the complexity of the open enrollment period and gives employees the opportunity to make more informed choices about the added benefits.

5. **Legal and Regulatory Compliance**
   Certain ancillary benefits, such as short-term disability or life insurance, can help employers meet their legal obligations or provide additional protection for employees in the event of illness or injury. For instance, offering group life insurance or long-term disability coverage can assist in filling gaps in employee protection that may not be fully addressed by medical insurance alone.

   Moreover, ancillary benefits often help companies comply with regulations and industry-specific requirements, which may vary by state or sector.

6. **Customization for a Diverse Workforce**
   Every employee has different needs, and a one-size-fits-all approach to benefits can leave some individuals underserved. By adding ancillary benefits, employers can cater to a broader spectrum of employee preferences. For example, vision and dental care may be essential for some employees, while others may value additional life insurance coverage or retirement savings options.

   Offering a variety of ancillary benefits allows employees to customize their benefits package according to their unique lifestyle and needs, which can contribute to higher employee satisfaction and engagement.

7. **Competitive Advantage in the Job Market**
   In a tight labor market, offering a comprehensive benefits package that includes both medical and ancillary lines can set an employer apart from competitors. By making ancillary benefits a part of their offering, employers can stay ahead of the curve and create a workplace that attracts top talent.

In the evolving landscape of employee benefits, adding ancillary lines after the medical renewal is a smart, cost-effective way to enhance the overall benefits package and improve employee satisfaction. Not only do ancillary benefits support employees' physical, mental, and financial well-being, but they also help employers attract and retain top talent, while fostering a culture of health and wellness. In today's competitive job market, it's clear that offering comprehensive, diverse benefits packages is a key strategy for long-term success.

MARCH: NATIONAL COLORECTAL CANCER AWARENESS MONTH

Steve Flewellen
Agent
CYGANIAK PLANNING INC

The goal of this national health observance is to increase awareness that colorectal cancer is largely preventable, treatable and beatable. In conjunction with National Colorectal Cancer Awareness Month, the Centers for Medicare & Medicaid Services (CMS) remind health care professionals that Medicare provides coverage for certain colorectal cancer screenings.

Colorectal cancer affects both men and women of all racial and ethnic groups and is most often found in people aged 50 years or older. And the risk for developing colorectal cancer increases with age. Medicare covers colorectal cancer screenings for the early detection of colorectal cancer. All Medicare beneficiaries aged 50 and older are covered; however, when an individual is at high risk, there is no minimum age required to receive a screening colonoscopy, or a barium enema rendered in place of the screening colonoscopy. An individual is at high risk for colorectal cancer if he or she has had colorectal cancer before or has a history of polyps, has a family member who has had colorectal cancer or a history of polyps, or has a personal history of inflammatory bowel disease, including Crohn's Disease and ulcerative colitis.

Prevention is key. Colorectal cancer is the second leading cancer killer in the United States; however, it doesn't have to be. It is largely preventable through screening which can find precancerous polyps, abnormal growths in the colon or rectum, so that they can be removed before turning into cancer. Screening also helps find colorectal cancer at an early stage, when treatment can often lead to a cure.

Source: https://www.cms.gov/files/document/colorectal11mar08finalpdf#:~:text=March%20is%20National%20Colorectal%20Cancer%20Awareness%20Month

WELLNESS AFTER THE HOLIDAYS

Tricia Scardino
Sales/Service Associate
CYGANIAK PLANNING INC

Sticking to your exercise routine beyond the New Year's resolution phase can be tough, but here are some tips to help you stay consistent:

1. Set Clear, Realistic Goals

- Break long-term goals into smaller milestones
- Focus on progress, not perfection

2. Make a Schedule

- Treat workouts like appointments – schedule them in your calendar
- Pick a time that works best for your energy levels.

3. Find an Activity You Enjoy

- Try different workouts (gym, yoga, dance, swimming, hiking, etc.)
- If you don't enjoy it, don't stick with it

4. Get an Accountability Partner

- Exercise with a friend or join a class.
- Share your progress on social media for motivation.

5. Track Your Progress

- Use a fitness app or journal to record workouts and achievements.

It can be challenging to make a commitment to yourself. But if you set yourself up for success anything is possible.

AI AND HEALTHCARE

Elizabeth Cyganiak Stuckslager
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Artificial Intelligence can be a lot of things to a lot of people. While there are concerns that AI can be used in negative ways, it is also a useful tool for education, communication and even healthcare.

Her are some key ways that AI is helping to reduce healthcare costs:

- **Improved Diagnostics:** AI algorithms can analyze medical images, such as X-rays and MRIs, faster and often more accurately than humans. This helps to catch diseases earlier, reducing the need for more expensive treatments later. AI-powered tools like these also help reduce human error, improving diagnostic accuracy.
- **Personalized Medicine:** AI can analyze large amounts of data to tailor treatment plans to individual patients, which can lead to more effective care and avoid trial-and-error treatments that might be costly and less effective.
- **Predictive Analytics:** By analyzing data, AI can predict which patients are at risk of developing certain conditions, allowing for preventive care that can avert expensive treatments and hospital admissions.
- **Automation of Administrative Tasks:** AI can streamline administrative work, such as billing, scheduling, and documentation. This reduces the administrative burden on healthcare providers and lowers operational costs, which can be passed on to patients.
- **Remote Monitoring and Telemedicine:** AI tools are being used in wearable devices and telemedicine to monitor patients remotely. This can reduce the need for in-person visits, lower transportation costs, and allow for earlier intervention, avoiding expensive hospital stays.
- **Drug Discovery:** AI is helping pharmaceutical companies identify potential drug candidates faster and more efficiently, reducing the time and cost associated with bringing a new drug to market.
- **Operational Efficiency:** AI is used in resource management within hospitals, optimizing staffing, inventory, and supply chain management to reduce waste and improve efficiency.

These innovations contribute to both lowering direct healthcare costs for providers and improving the overall cost-effectiveness of care for patients. Artificial intelligence has become a tool with many uses. As time, and technology, moves forward it is inevitable that AI will have more impact on our lives.

AVOIDING MEDICARE SCAMS

Nancy McKay
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CYGANIAK PLANNING INC

Seniors are often targeted for scams involving someone claiming to be with Medicare. These scammers try to gain the trust of the Senior to try and get their Medicare number or Social Security number. If they get this information, they can use it to submit false claims to Medicare in the victim's name.

How can you avoid falling victim to these scam calls?

- Don't answer calls from unknown numbers. Let the call go to voicemail. You can let friends and family know you're screening calls so they can leave a message.
- Be very careful about responding to ANY request for personal identifying information.
- If you answer and the caller—or recording—asks you to hit a button to stop getting the calls, just hang up. Scammers can use this trick to identify potential targets.
- If you answer and it's not who you expected, don't hang on to learn more, just hang up!
- Never assume an unexpected call is legitimate. Hang up and call back using a number you can verify on a bill, a statement or an official website.
- Be suspicious. Con artists can be very convincing: They may ask innocuous questions, or sound threatening or sometimes seem too good to be true.
- Don't give out personal information like account numbers, Social Security numbers or passwords, or answer security questions.

Source: https://content.govdelivery.com/accounts/WAOIC/bulletins/3c8f08d