

# Quarterly Review

Vol. XVII; Number 3

October, 2007

## *From the Desk of the Editor*

A commentator recently wrote that the fall colors have lost their sparkle – another unfortunate by product of global warming. As a longtime Florida resident longing for the seasonal variation I enjoyed as an Ohio native, I thought to myself I hope my trip to DC this month won't be anticlimactic. After all I chose October for the colors. And on this long-awaited trip, I am just a tourist. No meetings with Treasury or IRS, no conferences to learn more about the issues, no lobbying, no networking with peers.

As the year winds down, the IRS has addressed the items we have been monitoring – not without some remaining questions certainly, but that is to be expected any time guidance is issued. I must say after waiting over twenty years for the 125 Regs, their issuance was somewhat anticlimactic. In this issue, we are identifying some areas that upon closer inspection need further clarification.

We welcome two new contributors with this issue. Muriel Etienne, whose analysis of the Final Proposed Regs on Employment Related Expenses is our Featured Article; and Bob Parr who recently joined FBMC's Senior Management Team. You may be familiar with Bob's name through Best's Review and Florida Underwriter where a number of articles written by Bob have been published. He has also authored two books: *COBRA for Insurance Agents* and *The Managed Care and Group Health Handbook*.

Since this is the last issue distributed in 2007, I will extend our good tidings and best wishes for a prosperous 2008.

*Enjoy, Trish*

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## *Featured Article*

### **IRS Proposed Regs on Employment Related Expenses**

Muriel Etienne

On August 14, 2007, the IRS issued Final Proposed Regulations which call for several changes to be made to the current rules associated with employment-related expenses under § 21. The changes go into effect for the taxable year beginning on or after August 14, 2007.

## **Clarifications and Changes:**

### **Qualifying Individual and Custodial Parent:**

The definition of a qualifying individual and custodial parent has changed to conform to the GoZone Act of 2006. In other words we look to §152's definition of dependent but without regard to whether the individual is a dependent of a dependent, is married filing a joint return, or has income in excess of the exemption limit. The rules for children of divorced or separated parents may also apply if the parents have lived apart consistently during the last 6 months.

**Determination of period of employment on a daily basis:** Taxpayers must allocate the cost of dependent care on a daily basis and only the expenses incurred during the time in which the taxpayer is gainfully employed or actively looking for employment are creditable.

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**Short, Temporary Absence Exception:** An exception has been added to allow taxpayers who take short, temporary absences from work to be credited for these days if the taxpayer is still required to pay for dependent care. Additionally, a safe harbor was included that treats an absence of no more than 2 consecutive calendar weeks as a short, temporary absence.

**Part-Time Employment Exception:** If a part-time taxpayer is required to pay for dependent care on a periodic basis (ie. weekly or monthly) the taxpayer is not required to allocate the expenses.

**Expenses for Room and Board of a Caregiver:** An increase to the taxpayers' utilities (ie. gas, water and electric) or rent as a result of providing meals and housing to a housekeeper whose duties include the care of a qualifying dependent is considered an employment-related expense.

**Application, Agency Fees and Deposits:** Application, agency fees and deposit expenses required to obtain childcare for qualifying dependents are considered employment-related expenses; however if care is not provided (for any reason), the expense is forfeited – it cannot be credited.

**School or Similar Programs:** Expenses for nursery school, preschool or similar programs for qualifying dependents below kindergarten grade level qualify as employment-related expenses and are creditable. Expenses for a child (including qualifying dependent) grade level kindergarten or higher do not qualify as employment-related expenses; however expenses for before and after care are creditable regardless of grade level through age 13.

**Boarding School:** Proper documentation differentiating between expenses for the care of a qualifying dependent and expenses for other goods or services is required. For example, in the case of a dependent attending a boarding school; a taxpayer must allocate the expenses for care and the expenses for food lodging, clothing and education. Only the cost for care is creditable, all other expenses do not qualify as employment-related expenses.

**Overnight Camps:** Expenses for a child (including qualifying dependents) incurred during

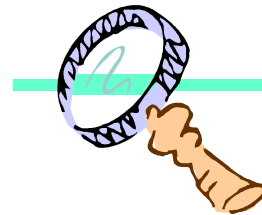
a stay at an overnight camp are not employment-related expenses and may not be credited.

**Specialty Day Camps:** Day camps or similar programs that specialize in a particular activity such as soccer or computers may now qualify as dependent care employment-related expenses. Allocation between the cost of care and amounts paid for learning a specialized skill are not required. Provisionally, if a day camp provides care for more than 6 individuals for a fee, it must comply with the applicable licensing, building, and fire laws of the state and local government. This change does exclude summer school and tutoring programs; the cost associated with summer school and tutoring programs are not creditable.

**Transportation:** Expenses incurred for transportation of a qualifying dependent to or from a place of "care" is considered an employment-related expense only if the transportation is provided by a childcare provider.

**Other Cost:** Expenses incurred for daytime care that allows a taxpayer to work nights and sleep days is creditable. Also, the cost of overnight care (excluding overnight camps) may be credited for a taxpayer that works at night.

## New Proposed 125 Regulations A Closer Look



Trish Neely, CFCI

How long does it take to iron out all the wrinkles in Internal Revenue Code Section 125? We and the industry have had two months to delve into the language, and although Treasury and the IRS did an exceptional job incorporating into the new proposed regs 20+ years worth of formal/informal guidance, revenue rulings, congressional actions, private letter rulings, etc. etc., there are still some fuzzy areas we would like to see clarified. We are listing below the areas that we believe will have the greatest impact upon our clients.

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## Issue # 1 – COBRA premiums

The new proposed regulations indicate that any COBRA premium that is excluded from income under Code Section 106 is a non-taxable qualified benefit and can be sponsored and contributed to by either the current or former employer. A classic example of how this might work is an individual who changes jobs and is not eligible to participate in the new employer's plan for 90-days. He/she may elect COBRA through the former employer and make payment through the new employer's Cafeteria Plan. **Unclear is whether §1.125-4(f)(4) permits the individual to revoke the COBRA election when he/she becomes eligible for the new employer's plan. We believe it should.**

There has also been a concern voiced amongst legal professionals that **the language in the new regs is not clear regarding spouse and/or dependent continuation coverage under COBRA. We want it clarified that COBRA premiums for spouse and dependents is a qualified benefit.** Although the IRS has provided guidance regarding coverage for "surviving spouse" that could be looked to for precedence in taking a position that this coverage is also a qualified benefit, it is §106 that is in question. Remember, the new regs say "any COBRA premium that is excluded from income **under Code Section 106** is a non-taxable qualified benefit." Code §106 is not specific.

## Issue #2 – Safe Harbor for POP Plans

The new Proposed Regulations create a safe harbor exemption for Premium Only Plans (POP) from the contributions and benefits test under certain circumstances. **At issue is whether the safe harbor applies to both fully insured health plans and self-funded health plans.** One interpretation is that since §1.125-1(a)(5) defines POP as a plan that offers a choice between cash and payment of health **insurance** premiums, it doesn't apply to self-funded plans. **We see no reason to make this distinction and we want the IRS to clarify that the exemption applies to both types of plans.** Our outside law firm has opined, "Legally, we see no reasonable basis for distinguishing between fully insured and self-insured coverage in this instance." However, the best way to avoid misinterpretation is to clarify what was meant.

## Issue #3 – Mandatory 2-yr Election for Dental and Vision Plans

The new Proposed Regulations clarify that as long as certain conditions are met, cafeteria plans may offer vision and dental **insurance** that requires a mandatory two year coverage period. This plan design is becoming more common as plans try to minimize

adverse selection. As with #2, **we want a clarification that the provision applies to both fully insured and self-funded plans.**

## Issue #4 – Formally Adopting Plans & Amendments

The new Proposed Regulations are clear on one thing, you must have a written plan and the written plan or any amendments must be properly adopted **before** the effective date of the qualified cafeteria plan. But **what are the rules to assure the plan or amendment has been properly adopted? We want the IRS to set out clear guidelines and we are encouraging simple procedures based upon existing bylaws or states' and agency procurement practices.**

Issue #5 – Salary reductions from December may apply to January coverage.

Since many of our groups use reductions taken in the last month of a plan year to pay for coverage in the first month of the next, we are glad the IRS has finally ruled favorably on this practice. However, **two** concerns.

Although the new Proposed Regulations state that using salary reductions in the last month of the plan year to pay for premiums for accident and health **insurance** coverage in the first month of the next plan year does not violate the deferred compensation rule, and this is good news, we are again back to the issue of insurance. **Does this provision apply to self-insured plans? We strongly believe it should and we want this point clarified in the regulations.**

The second concern involves the regulation's apparent limitation to just the last month's salary reductions. We interpreted the grace period guidance to apply to almost all qualified benefits not just to FSAs (401(k) and PTO are exceptions). And if that interpretation was correct, we were looking for an offset of 2 months and 15 days wherein salary reductions from the previous plan year could pay for premiums in the first 2 months and 15 days of the next plan year. **We want a clarification that if a plan has adopted a grace period, that grace period may apply to all qualified benefits as long as the plan document is so written. On the other hand, if a plan has not adopted a grace period then the one month exception applies.**

Issue #6 – How small can a defect be and **not** blow up your plan?

The new Proposed Regulations reconfirm what we have known for years – operate in accordance with the plan rules and abide by all statutory rules and regulations or risk blowing up your plan resulting in adverse tax consequences to employees (and a public relations nightmare).

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What we and many others have requested repeatedly through the years and expected to see in the new Proposed Regs was a **de minimis** rule. **We want language to be inserted in §§1.125-1(c)(6) and (c)(7) along these lines: “defects of a de minimis nature will not disqualify a plan if the plan sponsor corrects the defect immediately upon it becoming known, and takes action to assure it does not reoccur.”**

Issue #7 – Correcting a bona-fide mistake

As standing members of our Appeals Panel, every year we grant appeals to employees with no children who clearly erred in electing a DCAP plan; or whose pens strayed and instead of selecting self-only coverage, they signed up for employee + 1 (they have no dependents). **We were looking for some clear guidelines that would help walk us through the facts and circumstances test.** Certainly we understand the difficulty in preparing guidance that is not subject to abuse; however a starting point might be to establish what benefit if any is derived from the change. If benefit shopping is clearly not at issue, then does that not strengthen the likelihood that it was a bona-fide mistake?

Issue #8 – Delay the new inclusion rule for GTL.

The IRS took a complicated calculation and simplified it considerably – that’s the good news. The bad news is it went into effect immediately (8/6/2007). If you are a large employer with a customized software application designed to determine the imputed income calculation for your Group Term Life benefit, you may have difficulty complying with the new rule’s deadline date. **We are requesting transition relief for the new inclusion rule until the first plan year following 1/1/2009.** This is consistent with all other provisions of the new regs and will give plan sponsors an opportunity to adjust procedures and tweak their software applications.

Issue #9 – Paying Orthodontia in Advance

At first it appeared the new Proposed Regulations confirmed informal guidance we had received related to advance payments. Then we looked closer. §1.125-5(k)(3)(l) provides that reimbursement for ortho expenses before services have been incurred is ok as long as the employee has actually made the payments **“in order to receive the services.”** At issue is whether the advance payment is reimbursable if the dentist does not **require** it to be paid but merely **permits** advance payment to receive a discount. **We believe that advance payment should be permitted regardless of whether it is required or permitted and would like clarification to this effect.**

Issue #10 – Expansion of Ortho Rule

In addition to orthodontia, there are other health services or procedures that are required to be paid in advance of treatment, such as pre-natal care, child delivery, surgical expenses and other dental procedures, such as root canal. **We would like to see the advance payment rule be expanded to include any §213(d) expense that is paid using an extended treatment plan and where advance payment is required or permitted.**

Issue #11 – Electronic Payment Cards: What’s good for QTB, should equally apply to MFSA

The new Proposed Regulations pulled in the language contained in RRs 2003-42 & 2006-69 relating to the requirement that the MCC must be health related or if non-health related then an IIAS (Inventory Information Approval System) must be in place. Card processors and administrators are able to drill down to Merchant ID and/or Terminal ID to restrict services to 213(d) eligible services even within a non-health MCC facility avoiding the need for IIAS. **The IRS has found this approach to be adequate substantiation in a QTB environment (RR 2006-57) and we would like a similar provision to be incorporated into §1.125-6(d)(5)(i).**



FBMC has joined with other professionals across the country to voice our concerns to the IRS. If you feel as strongly as we do about any of these issues, we encourage you to voice those concerns to the IRS. The IRS has intimated to some industry insiders that there is “strength in numbers”. Written or electronic comments may be submitted to the IRS until November 5, 2007. Electronic submissions can be sent by logging on to [www.regulations.gov](http://www.regulations.gov) – reference Reg 142695-05 in your correspondence.

## In The News

### Transit Systems Given Additional Time to Comply with Card Rules

Kendall Hall

The effective date for Revenue Rulings 2006-47 and 2006-57 has been delayed until 1/1/2009. The additional year is granted to provide transit systems additional time to modify their technology and make it compatible with the voucher requirements specified in RR 2006-57.

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## Healthcare Trends

Gingy Sampson

Quick – what do Microsoft, Wal-Mart and AOL all have in common? Electronic tools to help employees, members or consumers manage general medical and personal health information (PHI). How does a working parent stay current on immunization schedules for entry into schools; or a traveling worker keep his/her medical history just a click away when a new healthcare provider is needed 3,000 miles away?

Records management tools, like Microsoft's **HealthVault** (launched earlier this month) may seem to consumers a welcome elixir to help alleviate the information overload bug. Financial Planners have used electronic tools for years to help consumers track accounts, various funds, auto/homeowner and other liability insurance coverages, etc.

Currently, many health records are not ready to be handled this way. Until hospitals, insurance companies, TPAs, and doctors' offices "all" keep electronic records, the data is limited; however, we see this as a growing trend. Even Google is interested in offering some type of tool. Of course the downside is the amount of information that can end up in the wrong hands without adequate protections in place.

## Saving Money through Healthy Living

Robert E. Parr, CLU, RHU, HIA, REBC

Employers have seen a rapid increase in preventable chronic health conditions in recent years. Certain lifestyle issues, such as, diabetes and cardio-vascular disease, are becoming increasingly common, often resulting in large increases in medical claims.

A recent report issued by the Milken Institute says that a focus on prevention could help prevent nearly 40 million annual cases of cancer, heart disease, hypertension, stroke, mental disorders and pulmonary conditions. The study estimates that savings could exceed a trillion dollars in treatment expenses and lost productivity.

For employers who self-fund their medical plans, the potential for long-term claims savings is enormous. Combine these savings with employees who are healthier, happier and more productive and you have a prescription for success.

A St. Louis Business Journal article reported that when the Prudential Insurance Company instituted a Wellness Program annual medical costs fell by 46% and the number of disability days were reduced by 20%.

The same article featured the Providence General Medical Center which reduced their Worker's Compensation costs obtained by 83% by integrating a Wellness Program.

Are Wellness Programs the answer for employers seeking to control their long-term medical claims costs? Perhaps they're not the total solution for all employers, but a properly structured Wellness Program is certainly a worthwhile tool combined with effective claims management and benefit plan design.

Editor's Note. Bob's two books, **COBRA for Insurance Agents** and **The Managed Care and group Health Handbook** published through The National Underwriter Company are excellent books on topic for the lay person wanting to understand more on the subjects presented.

## 403(b) Plans have Final Rules

Patrick Peters, President  
VMC Retirement Plan Services

Final Regulations concerning 403(b) Tax Sheltered Annuity Plans were recently issued and became effective for plans beginning after December 31, 2008. As noted in the 2004 proposed regulations, the effect of these regulations is to diminish the extent to which the rules governing §403(b) plans differ from rules governing other tax-favored employer based retirement plans – such as §401(k) and §457 plans.

### Written Plan Requirement

A "written plan" is now required in both form and operation to delineate plan responsibilities – including that the plan is permitted to allocate to the employer or another person the responsibility for performing functions to administer the plan including functions to comply with §403(b). The written 403(b) plan must include all material provisions regarding eligibility, benefits, applicable limitations, the contracts available under the plan and the time and form under which benefit distributions would be made. The written plan may incorporate by reference other documents including the insurance policy or custodial account.

### Universal Availability Rule

§403(b)(12)(A)(ii) provides that **all** employees of the eligible employer must be permitted to elect to

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have §403(b) elective deferrals contributed on their behalf if **any** employee of the eligible employer may elect to have the organization make §403(b) elective deferrals. This rule includes an employee's right to designate §403(b) elective deferrals as designated Roth contributions if any employee of the eligible employer may elect to have the organization make §403(b) elective deferrals as designated Roth contributions.

## ERISA

Regulations require other contributions to satisfy the general nondiscrimination requirements applicable to qualified plans under ERISA. However according to the Department of Labor (DOL), with the interaction of Title I of ERISA and §403(b) of the Code, DOL is satisfied that Title I of ERISA does not apply to governmental plans.

## Exchanges & Transfers

Non-taxable exchanges or transfers are permitted for a §403(b) contract as follows:

1. A change of investment within the same plan (contract exchange);
2. Plan-to-plan transfers where the participant whose assets are being transferred is an employee or former employee of the employer that maintains the receiving plan. Several additional requirements must also be met.
3. A transfer to purchase permissive service credit or a repayment to a DB governmental plan.

Note: The regs do not permit transfers among §403(b) programs and §401(a) or §457(b) plans.

Final regulations expand the definition of health or welfare service agency – including adoption agencies and agencies that provide either home health services, substance abuse assistance or help to the disabled – enabling their participation in the special §403(b) catch-up provision.

## Distributions

Distributions of amounts attributable to §403(b) are paid as follows:

1. Severance from employment (includes employees who cease to be employed by an eligible employer that maintains a §403(b) plan)
2. Death
3. Hardship – defined under §401(k)
4. Disabled (§72(m)(7))

## 5. Age 59 ½

*Non-elective employer contributions held in custodial accounts are not distributable under hardship provisions. This rule applies to amounts transferred out of a custodial account to an annuity contract (including earnings).*

The regs make a number of changes relating to distributions:

1. After tax employee contributions are not subject to any in-service distributions restrictions.
2. If an insurance contract includes provisions under which contributions will be continued in the event a participant becomes disabled, then the benefit as an incidental benefit that must satisfy the incidental benefit requirement.
3. Roth contributions
4. Automatic rollovers

## Exchanges

Final regulations permit tax-free exchanges if:

1. The plan permits the exchange
2. The participant's accumulated benefit after the exchange is at least as great as much as benefit before the exchange
3. The transferee product imposes distribution restrictions at least as stringent as those applicable under the transferor product
4. The employer and transferee issuer enter into an agreement to provide each other certain information related to tax compliance requirements

## Catch-up Contributions

Final regulations retain both the special §403(b) catch-up provision where the §402(g) is increased – applicable to employees of qualified organizations with 15 or more years of service (disregarding any period where the individual is not an employee of the eligible employer) and the age 50 catch-up provision under §414(v). Catch-up contributions for employees eligible for both catch-up provisions are treated first for the special §403(b) provision, to the extent that this provision is permitted, then the age 50 catch-up (to the extent the age 50 provision amount exceeds the maximum special § 403(b) catch-up.

## Severance from Employment

Final regulations define severance from employment in a manner that is generally the

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same as under §401(k), but provide that severance occurs on any date the employee **ceases** to be employed by the eligible employer that maintains the §403(b) plan.

## Disqualification

All contracts or accounts under an employer's program will fail to qualify under §403(b), §1.403(b)-1, §1.403(b)-2 or §§1.403(b)-4 through §1.403(b)-11 with:

1. A written plan failure
2. A nondiscrimination failure
3. An employer eligibility failure

The final regulations retain the rule that if an excess annual addition is made to a contract that otherwise satisfies the requirements of §403(b), then the portion of the contract that includes the excess will fail to be a §403(b) contract (and instead will be a contract to which §403(c), relating to nonqualified annuity contracts, applies) and the remaining portion of the contract that includes the contribution that is not in excess of the §415 limitations is a §403(b) contract.

## GUEST ARTICLES

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### TUITION FOR A SPECIAL SCHOOL TO HELP MEDICALLY HANDICAPPED CHILD ATTEND COLLEGE IS A MEDICAL CARE EXPENSE

[Priv. Ltr. Rul. 200729019 (Apr. 10, 2007)] For a copy: <http://www.irs.gov/pub/irs-wd/0729019.pdf>

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The taxpayers who requested this private letter ruling were the parents of a medically handicapped child. She had been diagnosed with several developmental disorders and medical conditions and was referred to a school that helped students with learning disabilities of a medical nature to complete a college or vocational

program. The school determined that the daughter would require significant remedial training both prior to and while attending college because of the severity of her condition. Her parents asked the IRS for a ruling on whether the school's tuition qualified as a deductible medical care expense.

In its analysis, the IRS noted that medical care expenses include amounts paid for the diagnosis, cure, mitigation, treatment, or prevention of disease, or for the purpose of affecting any structure or function of the body. The IRS added that medical care expenses do not include the cost of "ordinary education" but do include the cost of attending a special school for a mentally or physically handicapped individual, if the individual's condition is such that the institution's resources for alleviating the handicap are a principal reason for the individual's presence there. In addition, the IRS noted that the distinguishing characteristic of a special school is the substantive content of its curriculum--this may include some ordinary education but only if such education is incidental to the primary purpose of enabling the student to compensate for or overcome a handicap. Because the school offered a program that was designed primarily to enable the daughter to compensate for and overcome her diagnosed medical conditions, the IRS concluded that the school was a special school within the meaning of applicable IRS regulations and its tuition was a medical care expense under Code Section 213.

EBIA Comment: This ruling is consistent with previous IRS guidance on whether special education involving the transition to regular education constitutes medical care under Code Section 213(d). (See our article at <http://www.ebia.com/WeeklyArchives/CafeteriaPlans/Statutes/16635>

(Premium Access subscription required).) Note, however, that whether an individual is attending a special school to receive medical care is a question of fact that must be determined on a case-by-case basis. Just because a school or program provides medical care to some individuals doesn't mean that it necessarily provides medical care to all individuals. (While private letter rulings provide insight into the IRS's position, they are directed only to the taxpayers who request them and may not be relied upon as precedent.) For more information, see EBIA's

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Cafeteria Plans manual at Sections XX.D ("Expenses Reimbursed Must Be for Medical Care") and XX.M ("Table of Common Expenses That Are for 'Medical Care,' as Defined in Code Section 213(d)"); see also EBIA's Consumer-Driven Health Care manual at Sections XV.C ("What Is an HSA Qualified Medical Expense?") and XXII.B ("HRAs May Reimburse Only Code Section 213(d) Expenses").

Contributing Editors: EBIA Staff.

## **FEDERAL GOVERNMENT ORDERED TO PROVIDE NOTICE OF CRIMINAL COURT PROCEEDINGS TO VICTIMS OF TPA CHARGED WITH EMBEZZLEMENT**

[U.S. v. Stokes, 2007 WL 1849846 (M.D. Tenn. 2007)]

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The defendant in this case acted as the third-party administrator of HSA, FSA, and 401(k) accounts for an estimated 35,000 individuals employed by approximately 1,000 employers. He is now awaiting trial on federal criminal charges, including charges that he embezzled millions of dollars from those accounts to pay his company's debts and operating expenses, to buy real estate, and to acquire an extensive collection of Japanese art. Both he and his TPA firm are now in bankruptcy.

The federal court in which the defendant will be tried has issued an order that addresses how federal prosecutors are to provide notice of the proceedings in the case to the large number of potential victims. (Under federal law, crime victims have the right to "reasonable, accurate, and timely notice" of public court proceedings.) The court noted that many potential victims have not been fully identified and located, and that it would not be practical for federal prosecutors to find them and mail them notices in advance of the trial or further court appearances. The court therefore authorized prosecutors to provide notice of upcoming proceedings by the following means: (1) creating a link on the website of the United States Attorney's Office, Middle District of Tennessee to provide public information about the case; (2) establishing a toll-free telephone number that victims can call for case updates; (3) sending letters to 401(k) plan embezzlement victims,

informing them of the website and toll-free number; (4) sending letters to employers of the HSA, FSA, and other victims, referring to the website and toll-free number, and asking the employers to distribute copies of the letters to employees; and (5) publishing a notice in a national newspaper with the website and toll-free number.

EBIA Comment: Although we rarely report on cases at this stage of the proceedings, we do so here because the defendant appears to be one of the first individuals to face federal criminal charges for allegedly embezzling HSA funds. The bankruptcy trustee has created a blog (<http://gmwpllc.blogspot.com>), which reports that plan participants' funds were not protected by FDIC insurance, private insurance, or a bond, and has received permission from the bankruptcy court to engage special ERISA counsel to help recover the lost funds. For more information, see EBIA's Consumer-Driven Health Care manual at Section XVI ("HSA Trust/Custodial Accounts"); see also EBIA's Cafeteria Plans manual at Section XVI.J ("What Happens When a Cafeteria Plan Sponsor or TPA Goes Bankrupt?") and EBIA's ERISA Compliance manual at Section XXXVII.I ("Criminal Investigations").

Contributing Editors: EBIA Staff.

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