

Nondiscrimination Testing of Benefit Plans

Ameriflex's benchmark solution is as simple as 1-2-3 and uses calculations validated by industry experts.

Benefits

- ✓ Only solution in the industry that is reviewed by Thomson Reuters EBIA
- ✓ Detailed recommendations to correct testing failures
- ✓ Automatic determination of prohibited group members
- ✓ Archival of data and test results for 7 years for audit purposes
- ✓ Dedicated NDT analyst available from start to finish
- ✓ Customized recommendations and post-results consulting

Best Practice Dates (calendar year plan)

- December 31 (prior plan year) – Complete pre-testing for upcoming plan year
- May 31 (plan year) – Conduct initial mid-year testing and adjust elections as applicable
- August 30 (plan year) – Conduct final mid-year testing and adjust elections as applicable
- January 31 (subsequent plan year) – Conduct final testing of current plan
- February 15 (subsequent plan year) – Engage benefits attorney to determine tax consequences (if test fails)

KNOW YOUR RISKS:

THE PENALTIES FOR NON-COMPLIANCE

- Section 125 (Cafeteria Plan) HCP's and Keys will lose favorable tax treatment for contributions, making W-2/W-3 amendments necessary
- Section 105(h) (FSA, HRA, Self-Insured) Excess reimbursements paid to HCP's will be taxable resulting in reclassification of W-2
- Section 129 (DCAP) Benefits provided by the DCAP to HCE's will be included in their gross income