

From the HR Hotline

1st Quarter 2026

Provided by Employco USA, Inc.

What ACA Deadlines Should I Be Aware Of?

Our HR department continues to provide expertise and serve as valuable resources for navigating the pressing challenges employers face today. This team fields questions each day from employers seeking answers to their HR questions.

What Does the OBBBA Mean for HSAs?

In recent months, employers have sought guidance on Affordable Care Act reporting deadlines, the health savings account expansion, Trump Accounts and open enrollment. While answers to these topics can vary based on locality, employer and individual circumstances, federal agencies offer guidance that can aid employers in addressing day-to-day challenges in the workplace.

What Do Employers Need to Know About Trump Accounts?

This article explores questions and answers to common HR situations.

What Events Qualify for HIPAA Special Enrollment Rights?

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What ACA Deadlines Should I Be Aware Of?

Employers subject to Affordable Care Act (ACA) reporting under Internal Revenue Code Sections 6055 or 6056 should prepare to comply with reporting deadlines in early 2026.

For the 2025 calendar year, covered employers must:

- Post a clear, conspicuous and easily accessible notice on their websites by March 2, 2026, informing individuals that they may request a copy of Forms 1095-B or 1095-C. The notice must be retained until Oct. 15, 2026, and statements must be furnished to any requesting individual by the later of Jan. 31, 2026, or 30 days after the date of the request. Alternatively, if a reporting entity chooses not to post the notice online, it may instead provide Forms 1095-B or 1095-C directly to individuals by March 2, 2026.
- File returns with the IRS electronically by March 31, 2026. Employers who file at least 10 returns during the calendar year must file electronically.

Electronic filing is done using the ACA Information Returns (AIR) Program. The IRS has provided guidance on electronic reporting through its [AIR Program main page](#), but this guidance is generally very technical and intended for software developers and other entities that plan on providing electronic reporting services. Nonetheless, it can provide useful information on standards and procedures for returns transmitted through the AIR Program.

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What Does the OBBBA Mean for HSAs?

On Dec. 9, 2025, the IRS issued [Notice 2026-5](#), providing guidance on the expanded availability of health savings accounts (HSAs) under the [One Big Beautiful Bill Act \(OBBA\)](#), which was signed into law by President Donald Trump on July 4, 2025. The OBBBA's changes expand the availability of HSAs by:

- Permanently extending the ability to receive telehealth and remote care services before meeting the high deductible health plan (HDHP) deductible while remaining HSA-eligible
- Allowing individuals enrolled in certain direct primary care (DPC) arrangements to contribute to HSAs and use their HSA funds tax-free to pay periodic DPC fees
- Designating bronze and catastrophic plans available through an ACA Exchange as HSA-compatible, regardless of whether they satisfy the requirements for HDHPs

Telehealth and Remote Care Services

To be eligible for HSA contributions, individuals generally cannot be covered by a health plan that provides benefits, except preventive care benefits, before the minimum HDHP deductible is satisfied for the year. Historically, individuals who were covered by telehealth programs that provided free or reduced-cost medical benefits were not eligible for HSA contributions. A pandemic-related relief measure temporarily allowed HDHPs to waive deductibles for telehealth services without affecting HSA eligibility. This relief expired at the end of the 2024 plan year. However, the OBBBA permanently extended the ability of HDHPs to provide benefits for telehealth and other remote care services before plan deductibles are met without jeopardizing HSA eligibility. This extension applies to plan years beginning after Dec. 31, 2024.

Notice 2026-5 confirms that otherwise eligible individuals may contribute to an HSA for 2025 if, before the OBBBA was enacted, the individual was enrolled in a health plan that provided coverage for telehealth or other remote care services before the minimum deductible was satisfied, if the health plan otherwise satisfied the requirements to be treated as an HDHP. This is true regardless of whether the HSA contribution is made before or after July 4, 2025.

Also, Notice 2026-5:

- Addresses the types of benefits that are treated as telehealth or other remote care services that may be offered by an HDHP without a deductible

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- Clarifies that in-person services, medical equipment or drugs that are furnished in connection with a telehealth or other remote care service generally cannot be provided by an HDHP without a deductible under this exception

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DPC Arrangements

Effective Jan. 1, 2026, the OBBBA expands HSA eligibility by allowing otherwise eligible individuals with DPC arrangements to make HSA contributions if their monthly fees are \$150 or less (\$300 or less for family coverage). These dollar limits will be adjusted annually for inflation. A DPC arrangement is a subscription-based health care delivery model where an individual is charged a fixed periodic fee for access to medical care consisting solely of primary care services provided by primary care practitioners. In addition, the OBBBA treats DPC fees as a medical care expense that can be paid for using HSA funds.

Notice 2026-5 addresses the types of arrangements that qualify as DPC arrangements for HSA eligibility purposes. For example, a DPC arrangement does not include an arrangement that:

- Provides certain health care items and services to individuals on the condition that they are members in the arrangement and have paid a fixed periodic fee, but bills separately for those items and services (through insurance or otherwise)
- Provides services other than primary care services, regardless of whether members utilize those other services

However, a DPC arrangement may include an arrangement with fees that are billed for periods of more than a month but no more than a year, provided the aggregate fees are fixed, periodic and do not exceed the monthly limit (on an annualized basis). For example, for 2026, the fee for a single individual could be \$1,800 for a year, \$900 for six months or \$450 for three months.

Notice 2026-5 also addresses how the tax rules for HDHPs intersect with DPC arrangements. For example, an HDHP cannot offer primary care benefits other than those specifically allowed (e.g., telehealth and preventive care) by paying fees for, or providing membership in, a DPC arrangement without a deductible (or before the minimum deductible has been satisfied). For individuals who are enrolled in both an HDHP and a DPC arrangement, the DPC arrangement's fees cannot count toward the HDHP's annual deductible and out-of-pocket maximum.

In addition, Notice 2026-5 provides the following guidance on the reimbursement of DPC arrangement fees from HSAs:

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- The fees cannot be reimbursed by an HSA if they are paid by an individual's employer, including if they are paid through pre-tax salary reductions under a Section 125 cafeteria plan.
- The fees may be reimbursed from an HSA before the coverage period for the arrangement (for example, an HSA may immediately reimburse a substantiated fee for a DPC arrangement that begins on Jan. 1 of that enrollment year, even if the enrolled individuals paid the fee prior to the first day of the enrollment year).
- Fees that exceed the applicable dollar limit (i.e., \$150/\$300 per month for 2026) can be reimbursed from an HSA but will disqualify the covered individual from making HSA contributions while they are enrolled.

Bronze and Catastrophic Plans

To expand the accessibility of HSAs in the individual market, the OBBBA categorizes as HDHPs all bronze plans and catastrophic plans that are available through an ACA Exchange. This change is effective Jan. 1, 2026. Bronze plans have the highest deductibles and lowest premiums among the four categories (or metal levels) of individual plans. Catastrophic plans have lower premiums than bronze plans, but they also have very high deductibles. Notice 2026-5 provides that an employer-sponsored health reimbursement arrangement (HRA), such as an individual coverage HRA (ICHRA) or qualified small employer HRA (QSEHRA), can be used to purchase individual coverage under a bronze or catastrophic plan without affecting the plan's status as an HSA-compatible HDHP. However, as a general rule, an HRA (including an ICHRA) is permitted to reimburse only premiums for the HRA to be a health plan that would not disqualify an employee from being an HSA-eligible individual.

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What Do Employers Need to Know About Trump Accounts?

On Dec. 2, 2025, the IRS issued [Notice 2025-68](#) announcing upcoming regulations and providing initial guidance regarding Trump Accounts. Created by the OBBBA, Trump Accounts are a new type of tax-favored savings account for children under the age of 18 that are available in 2026.

General Overview

Contributions to Trump Accounts may start July 4, 2026 (one year after the OBBBA's enactment), and can be made by anyone, including the account beneficiary, parents or guardians, grandparents, employers, philanthropic contributors or any other source. Children born between 2025 and 2028 may be eligible to receive a special \$1,000 contribution from the federal government through a pilot program.

Taxpayers will use IRS Form 4547 to establish Trump Accounts for eligible children. This same form is used to make an election to participate in the federal government's \$1,000 pilot program. Beginning in May 2026, the IRS will send information to taxpayers who make this election to activate Trump Accounts through an authentication process. The IRS has indicated that a draft version of Form 4547 will be made available [here](#).

Employer Contributions

Employers can contribute to the Trump Account of an employee or an employee's dependent pursuant to a Code Section 128(c) Trump Account Contribution Program. These contributions are not includable in the employee's income for federal tax purposes. Contributions are limited to \$2,500 per employee per year, subject to cost-of-living adjustments after 2027. This program must be established pursuant to a written plan document and must meet certain tax

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rules that apply to dependent care assistance programs regarding discrimination, eligibility, notifications and benefits.

Notice 2025-68 also provides the following guidance for employer-sponsored Trump Account Contribution Programs:

- The annual contribution limit is a per-employee limit (not a per-dependent limit). For example, if an employee has two or more children who have Trump Accounts, an employer may only contribute up to \$2,500 in the aggregate for 2026 to those Trump Accounts.
- An employer must affirmatively indicate to the trustee of the Trump Account that the employer's contribution is a Section 128 employer contribution excludable from the gross income of the employee.
- A Trump Account Contribution Program may be offered via salary reduction under a Section 125 cafeteria plan if the contribution is made to the Trump Account of the employee's dependent but not if the contribution is made to the Trump Account of the employee.

More Guidance

The U.S. Department of the Treasury and the IRS have indicated they will issue proposed regulations on a variety of topics related to Trump Accounts in the future, including the coordination of Trump Account Contribution Programs and Section 125 cafeteria plans. Employers that are interested in making Trump Account contributions should watch for additional implementation guidance, including these proposed regulations. More general information on Trump Accounts is also available at trumpaccounts.gov.

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Group health plans often provide eligible employees with two regular opportunities to elect health coverage: an initial enrollment period when an employee first becomes eligible for coverage and an annual open enrollment period before the start of each plan year.

Special Enrollment Situations

To make health coverage more portable, the Health Insurance Portability and Accountability Act (HIPAA) requires group health plans to provide special enrollment opportunities outside of their regular enrollment periods in certain situations.

Special enrollment must be provided in these situations:

- A loss of eligibility for other health coverage
- Termination of eligibility for Medicaid or a state Children's Health Insurance Program (CHIP)
- The acquisition of a new spouse or dependent by marriage, birth, adoption or placement for adoption
- Becoming eligible for a premium assistance subsidy under Medicaid or a state CHIP

Affected Health Plans

HIPAA's special enrollment rules broadly apply to group health plans and health insurance issuers offering group health insurance coverage. However, certain categories of coverage—called “excepted benefits”—are not subject to HIPAA's special enrollment rules. Excepted benefits include, for example, the following:

- Benefits that are generally not health coverage (such as automobile coverage, liability insurance, workers' compensation, and accidental death and dismemberment coverage)
- Limited-scope dental or vision benefits
- Most health flexible spending accounts

HIPAA also includes an exemption for very small group health plans and retiree-only plans. HIPAA's special enrollment rules do not apply to a plan that, on the first day of the plan year, has fewer than two participants who are current employees.

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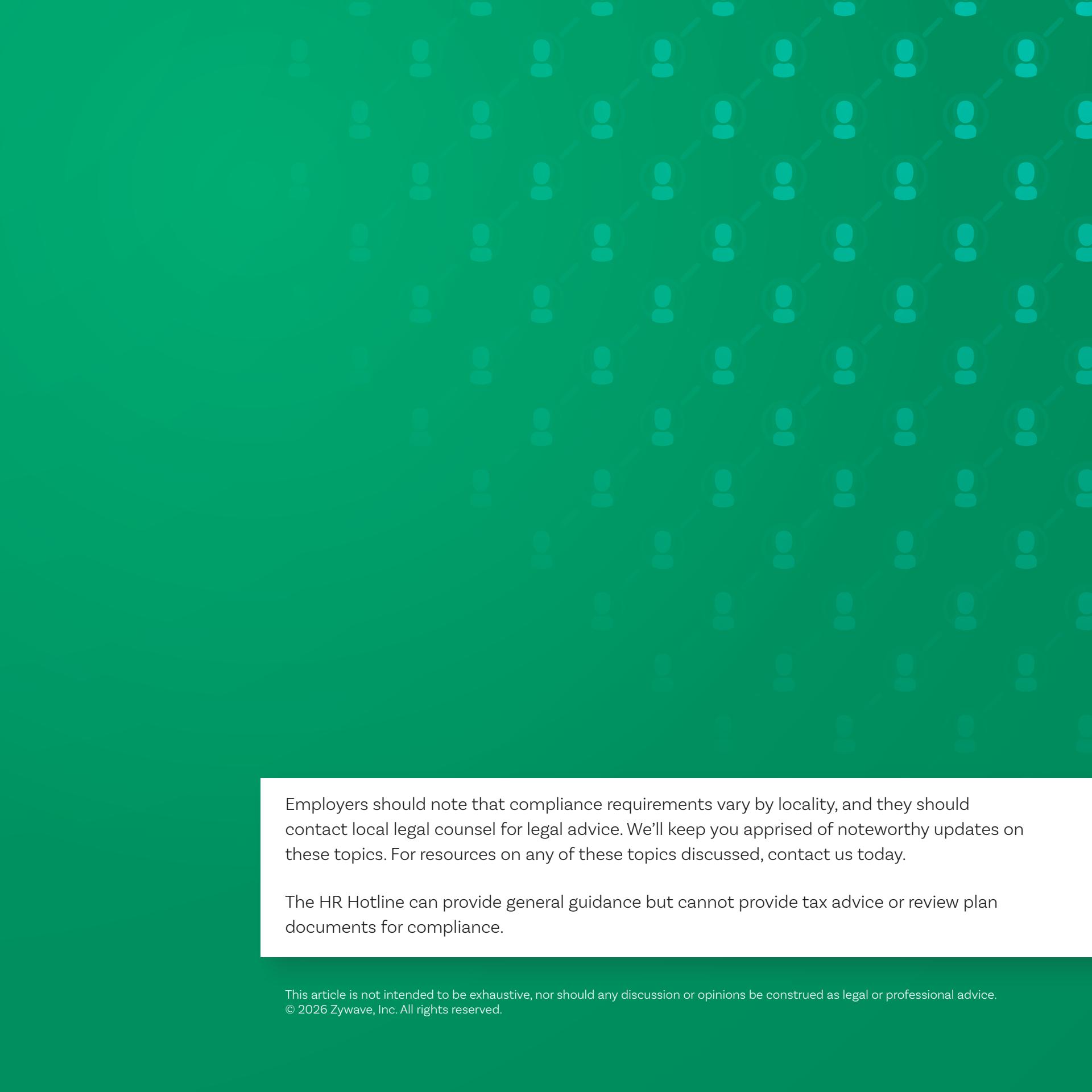
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Resources

To learn more, check out these resources:

- The U.S. Department of Labor's [Compliance Assistance Guide](#) for health benefits, which covers HIPAA special enrollment rights
- [Federal regulations](#) regarding HIPAA special enrollment rights
- [FAQs](#) regarding special enrollment rights after losing eligibility for individual coverage



Employers should note that compliance requirements vary by locality, and they should contact local legal counsel for legal advice. We'll keep you apprised of noteworthy updates on these topics. For resources on any of these topics discussed, contact us today.

The HR Hotline can provide general guidance but cannot provide tax advice or review plan documents for compliance.