



Welcome

Employee benefit laws change rapidly — UBA Partner Firms help their clients stay one step ahead with ongoing expert compliance resources.











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Benefit Considerations during Layoffs, Mergers, and Acquisitions





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Agenda

- 1. Layoffs and Severance
- 2. Asset Transactions
- 3. Stock Transactions (including mergers)
- 4. Representations and Warranties
- 5. Preparing for M&A Transactions
- 6. Q&A

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1. Layoffs and Severance

Severance Policies/Plans/Job training/assistance

COBRA considerations

Portability considerations

WARN Act

2. Asset Transactions



Typical Asset Transaction: Seller terminates employment, Buyer hires employees





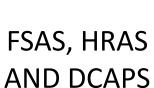


PTO

COBRA

OOP AND DEDUCTIBLE







SELF-FUNDED HEALTH PLANS



UNION EMPLOYEES

Partial Asset Transactions

WARN Act

- COBRA M&A Beneficiaries
 - Stock/Asset M&A Qualified Beneficiaries
 - Allocating COBRA responsibility by law or contract

- Lease employees/transition services
 - Watch out for MEWAs

3. Stock Transactions



Stock Transaction

No termination of employment, employees remain employees of their employer

Issues:

- Assume benefit plans vs migrate/integrate in Buyer's plans
 - Impact on OOP and Deductibles
- Nondiscrimination testing if Seller maintains plans that are different from Buyer plans
- Affordable Care Act Reporting
- Union Employees

4. Representations and Warranties

Evaluate truthfulness of representations and warranties

How to handle obligation to provide "comparable" benefits

5. Preparing for M&A Transactions

Brad from HR:
There's a meeting today??



Preparing for M&A Transactions

Due Diligence Support

Compliance Review

HIPAA Considerations

Identify Issues for Deal Team

Integration

6. **Q&**A







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Thank You

