October 9th, 2014

THE GROUP BENEFIT NEWS BULLETIN

REMINDER

Upcoming ACA Items Which May Apply

The following items are reminders from previous bulletins TBPG has published on these topics:

Health Plan Identifier (HPID) – The HPID is a standard unique 10 digit plan identification number that all plans must obtain. The goal of this ID is to eliminate the need for multiple identifiers in order to streamline HIPAA standard transactions. **All large health plans must obtain a health plan ID by November 5th, 2014. Small Plans ($5m or less in annual receipts) must obtain a health plan ID by November 5th, 2015.** For those who are Fully Insured, the carrier is required to obtain the HPID on behalf of the plan. For those who are Self Funded, the Employer is required to obtain the HPID for the plan. Third Party Administrators will be required to obtain an Other Entity Identifier (OEID).

Those who do not report annual receipts to the IRS may use one of the following proxy measures to determine annual receipts:

- Fully insured health plans should use the amount of total premiums that they paid for health insurance benefits during the plan's last full fiscal year.
- Self-insured plans, both funded and unfunded, should use the total amount paid for health care claims by the employer, plan sponsor or benefit fund, as applicable to their circumstances, on behalf of the plan during the plan's last full fiscal year.
- Those plans that provide health benefits through a mix of purchased insurance and self-insurance should combine proxy measures to determine their total annual receipts.

Plans must register at CMS's website https://portal.cms.gov/ For more information on HPID you may visit CMS's website at http://www.cms.gov/Regulations-and-Guidance/HIPAA-Administrative-Simplification/Affordable-Care-Act/Health-Plan-Identifier.html

Transitional Reinsurance Fee –The Federal Government recently provided additional information regarding the Transitional Reinsurance Fee which it will begin collecting this year. The FEDS have setup a "one-stop shop" at Pay.gov for those who are responsible for filing and paying the Transitional Reinsurance Fee. At this website, you will be able to submit your count and setup your payment of the fee.

What should you do now:

1) Register at Pay.gov
2) Access the Transitional Form to be used for count Submittal
3) Setup your schedule of payment. (The FEDS have given an option to either pay all of the fee at once or you may split pay by paying the associated amounts by the corresponding deadlines in the chart below.)

Background:
Requires states to establish a non-profit reinsurance entity that collects payments from insurers and third party administrators on behalf of group health plans. The program then pays insurers in the individual market that cover high risk individuals. Requires the Department of Health and Human Services (HHS) to establish standards for the determination of high-risk individuals, a formula for payment amounts, and the contributions required of insurers, which must total $25 billion over the three years.

The fee will be assessed on a per capita basis for both fully insured and self-funded members. For 2014, the fee has been set at $63 per covered life. The fee is established as a temporary fee for years 2014 to 2016. The fee applies to both fully insured and self-funded business. For fully insured plans, insurers will pay the fee. For self-funded plans,

the employer is responsible for funding the fee, but insurers acting as the TPA, may remit the amounts to the government on behalf of the group health plan. For anyone who switched from Fully Insured to Self Funded and visa versa, you will be responsible for the proportionate share of the fee while you were Self Funded. The same methods in determining how to count those covered will be those previously allowed under the guidance issued to implement the assessments for the Patient-Centered Outcomes Research Institute program. Data used to generate counts must be maintained for 10 years.

Key Deadlines For 2014:

Date	Requirement	Contribution Amount
No later than November 15, 2014	Submit Annual Enrollment Count	
No later than January 15, 2015	Remit First Contribution Amount	$52.50 per covered life
Fourth Quarter of 2015	Remit Second Contribution Amount	$10.50 per covered life
	Total	$63.00 per covered life

Establishing Measurement and Stability Periods – Per the Employer Mandate, measurement and stability periods are required to be set in order to determine who is required to be offered health coverage. For the plan year beginning 2015 the Employer Mandate begins for those over 100 employees. Employers will need to offer coverage to all Full-Time Employees (30hrs or more) and their dependents (defined as children, not spouses). These same Employers will need to set up what their measurement (testing) and stability (coverage) periods will be for the 2015 plan year. Employers may elect up to a 90 Day Administrative period in order to conduct analysis and open enrollment. The measurement, administrative, and stability periods all must be consecutive to each other (no gaps).

Example for a Calendar Year plan is below:

Measurement Period = October 3rd, 2013-October 2nd, 2014

Administrative Period = October 3rd, 2014-December 31st, 2014

Stability Period = January 1st, 2015-December 31st, 2015

As always, TBPG will continue to monitor all updates and keep you informed of any pertinent information. If you have any questions, please contact your TBPG representative.

As always, this material is intended for informational purposes only and is not to serve as instruction or legal counsel.