

THE JEFFERSON HEALTH PLAN UPDATE

Volume 3/Issue 3

WELCOME!

As another way to reach out to current Jefferson Health Plan groups and communicate on issues that directly impact our members, we will be providing updates on what is happening in the consortium.

If you have items that you would like to see in these updates, feel free to let us know!



PCORI

As a reminder, the Patient-Centered Outcomes Research Institute Fee will be paid and filed using the Form 720. You should have received the completed Form prepared for your signature. Please review your Form and upon approval, sign and return the documents to Gilmore, Jason & Mahler for filing and payment. The Form will be filed and payment will be made from your Plan's Reserve account prior to the July 31, 2014 filing deadline.

Temporary Reinsurance Program

The Reinsurance Assessment Fee is applicable to self-funded plans for 2014-2016. This fee will be used to help off-set high dollar claims occurring in the individual market. Similar to PCORI, the fee depends on the covered lives during the year. The estimated fee for 2014 is \$63 per covered life, with two scheduled installments of \$52.50 and \$10.50, respectively.

Minimum Essential Coverage Reporting Requirements

As a self-funded plan, your organization will be responsible to report information on Minimum Essential Coverage (MEC) to the Internal Revenue Service (IRS) for individuals covered under your self-funded health plan. This reporting is required by the IRS to administer compliance with the "individual mandate" under the Patient Protection and Affordable Care Act (PPACA).

While these reporting requirements do not begin until 2016 for coverage in 2015, the IRS is requiring you to start complying with components of the law this year. Because Social Security Numbers (SSNs) and Tax Identification Numbers (TINs) are the main individual identifying data used by the IRS, your organization will be required to make "reasonable attempts" to obtain this sensitive data from those individuals' whose SSNs/TINs you don't have on file.

"Reasonable attempts" are defined as three attempts to obtain the SSN/TIN, and may include electronic, paper, telephonic, etc. outreach. These attempts must be made by certain dates, starting this year. The outreach is only to each employee or subscriber and their dependents whose SSN/TIN you don't have, starting with those enrolling/enrolled in 2015 coverage.

First Attempt:

Current or previous enrollment can satisfy the first attempt, if applications have or had space for each employee and dependent to provide a SSN/TIN. If current or previous enrollment does not solicit SSN/TIN, a separate outreach must be made in 2014 to obtain employees' and dependents' SSNs/TINs.

Second Attempt:

A separate outreach must be made before December 31, 2014. For individuals that enroll in December, 2014, a second attempt must be made by January 31, 2015.

Third Attempt:

A separate outreach must be made before December 31, 2015.

The required MEC Statement must be sent to individuals by January 31, 2016 for 2015 calendar year coverage, and the reporting is required to the IRS by February/March 2016 (depending on mailed/electronic transmittal). As of today, the draft IRS Form has not been released.

We will be providing an educational seminar on the Reporting Requirements once the Form has been released.

Health Plan Identifier

To meet federal requirements large health plans must obtain a national health plan identifier number (HPID) by November 5, 2014. For this requirement, a large health plan is one with more than \$5 million in annual receipts. The Department of Health and Human Services (HHS) has said self-funded plans should look at claims paid for the prior plan year in determining if they fall above or below this \$5 million threshold. Small health plans have until November 5, 2015, to obtain an HPID.

The Health Plan Identifier (HPID) is intended to simplify routing, review and payment of electronic transactions in an effort to reduce errors. It creates a standard data element for use in HIPAA transactions.

Self-funded plans need to obtain their own HPID, as TPAs cannot obtain HPIDs on behalf of plans. Plans will be required to use HPIDs in specified HIPAA standard transactions by November 7, 2016.

In the next few months we will be reviewing which plans, based on claims paid, may need to apply for a HPID in 2014 and which plans would be subject to application in 2015. We do expect more guidance to be issued on this topic in the near future.

CONTINUING UPDATES

As more information on these and other topics become available, we will be sure to provide updates to you. Should you have any questions, please do not hesitate to contact us.

Contact Us

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