

From the Desk of

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Health Reform Questions - Making Reinsurance Payments

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Question: What is the process for paying the Transitional Reinsurance Fee for 2014?

Answer: A form will be available via www.pay.gov where a contributing entity will provide basic company contact information, and the annual enrollment count for the applicable benefit year no later than November 15. The form will auto-calculate the contribution amounts.

A "contributing entity" is defined as an insurer for insured group health plans or a third-party administrator on behalf of a self-insured group health plan. With respect to insured coverage, insurers are liable for making reinsurance contributions. With respect to self-insured plans, the plan is liable, although a third-party administrator or administrative-services only contractor may be used to transfer reinsurance payments on behalf of a self-insured plan, at that plan's discretion.

To complete the submission, contributing entities will also submit payment information and schedule a payment date for remittance of the contributions. This website (www.pay.gov) provides a "one-stop" approach to complete the reinsurance contributions process. HHS will offer training on this process.

This process is based on a one page letter issued by Centers for Medicare & Medicaid Services (CMS) on May 22, explaining the above process by which a contributing entity" will pay the reinsurance fees it owes.

Department of Health & Human Services(HHS) will use www.pay.gov to provide this "one-stop" streamlined process to collect reinsurance contributions.

It replaces provisions in prior guidance that indicated that HHS would bill plans

by December 15th, and plans would be required to pay the bills within 30 day after receiving them (by approximately January 15, 2015).

A link to the May 22 letter is provided below:

<http://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/Downloads/Reinsurance-contributions-process-FAQ-5-22-14.pdf>