

EXPERT UPDATE



EXPECT AN EXPERT

More Mail: Health Insurance Marketplace Letters Filling Your In-Bin

By Shari Herrle, Director of Compliance

The post office has been busy delivering Health Insurance Marketplace letters to employers, and in some cases the daily delivery includes **multiple** letters. So what does it mean if you receive one of these envelopes? See our Q&A below to determine your responsibilities:

Question: Why did I receive a Health Insurance Marketplace letter from the Department of Health and Human Services (HHS)?

Answer: The Marketplace has determined that one or more of your employees reported they did not receive an employer offer of affordable, minimum value coverage (MV), and therefore applied for and were granted subsidized Marketplace coverage. This subsidized coverage is referred to as “advance payments of the premium tax credit” (APTC) or “cost-sharing reductions” (CSRs).

Question: Does the letter indicate who applied and was granted assistance?

Answer: Yes. The employee name, birthday and last four digits of the individual’s social security number will be listed on the front page.

Question: If I determine that the employee was non-full-time and therefore not eligible for our group health benefits, do I need to do anything?

Answer: No.

Please note that the information contained in this document is designed to provide authoritative and accurate information, in regard to the subject matter covered. However, it is not provided as legal or tax advice and no representation is made as to the sufficiency for your specific company’s needs. This document should be reviewed by your legal counsel or tax consultant before use.

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Question: What if I determine the employee was eligible for affordable, minimum value coverage and chose to decline coverage?

Answer: We suggest you file an appeal to the Marketplace if you believe there's been a mistake regarding the employee's eligibility for APTC or CSRs. If you suspect your employee was incorrectly determined eligible because you did offer affordable, minimum value coverage (MV), filing an appeal could ultimately reduce the employee's potential tax liability and eliminate the employer penalty as well.

Question: If I file an appeal with the proper documentation is it guaranteed that no employer penalty will be assessed?

Answer: No. The letter indicates that ultimately the IRS determines independently whether an employer will have to pay an Employer Shared Responsibility payment.

Question: If I appeal, what type of evidence will the Marketplace consider that coverage meeting the ACA standards was offered to the employee?

Answer: A copy of open enrollment and new hire materials that illustrate premium cost and MV coverage, your Marketplace Notice for new hires, your ERISA SPD, and any other communications, data or forms that reflect an offer of affordable, minimum value coverage was made to the employee.

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Question: How long do I have to appeal?

Answer: The PA Marketplace letter indicates 90 days from the date of the notice.

Question: How do I send the appeal information?

Answer: You may fax it to 1-877-369-0129 or mail it.

Mailing address:

Health Insurance Marketplace
465 Industrial Blvd.
London, KY 40750-0061

Question: What number do I call if I have questions?

Answer: Call the IRS at 800-829-4933 Monday to Friday 7 a.m. – 7 p.m. your local time.

Please feel free to call one of our HBI benefit experts if you have additional questions.

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