

## CMS publishes dates for termination of ERRP processes

In preparation for the January 1, 2014 sunset of the Early Retiree Reinsurance Program (ERRP), the Centers for Medicare & Medicaid Services (CMS) has published termination dates for several of the ERRP processes. Plan sponsors who have received reimbursements must ensure that they satisfy the ERRP requirements and deadlines. Data inaccuracies, including updating prescription drug rebate information, must be completed by July 31, 2013 or the plan sponsor risks repayment of the ERRP reimbursements.

### Background

The ERRP allows employers to recover part of their cost of providing retiree health coverage to pre-Medicare early retirees and dependents. The Department of Health and Human Services (HHS) announced on February 17, 2012, that requests for reimbursement exceeded the \$5 billion funding allocation. The ERRP Center indicated it will continue to honor reimbursement requests in the order received. In November 2012, the ERRP Center released guidance on the use of ERRP reimbursements, and the requirements for correcting data errors and providing notice to plan participants. (See our [January 31, 2013 For Your Information](#).)

### ERRP sunset dates

The ERRP is scheduled to sunset on January 1, 2014. In anticipation of this date, on April 19 CMS issued [guidance](#) that provides the termination dates for several ERRP processes to allow for the phase-down of the ERRP Secure Website. The ERRP Secure Website will eventually be taken offline and archived.

Process	Termination Date
Report changes in ERRP applications	Updates to information contained in ERRP applications or on the ERRP Secure Website are no longer required after December 31, 2013. Inaccurate information in applications must be updated by December 31, 2013.

Report change in ownership	Changes in plan sponsor ownership that are effective after December 31, 2013 do not need to be reported to the ERRP Center.
Submit a reimbursement request	The last date a reimbursement request can be submitted is July 31, 2013.
Submit corrections to data inaccuracies	Corrections to data inaccuracies are not required to be submitted after July 31, 2013. Plan sponsors that know, or should have known, of any data inaccuracies on or before April 30, 2013 must submit corrected data by July 31, 2013.
Submit a request to reopen and revise an adverse reimbursement determination	The last date a reopening request can be submitted is December 31, 2013.

The guidance also states that CMS will continue to identify overpayments and distribute them to plan sponsors, based on the order in which reimbursement requests were received. The requirement that plan sponsors retain ERRP records for six years after the expiration of the plan year in which the costs were incurred, or longer if otherwise required by law, continues.

### Submitting corrections to data inaccuracies

Plan sponsors must correct any data inaccuracies not only in the data that generated any ERRP reimbursements, but also in any payment requests in the pending payment list for the same plan year as the reimbursements. Any data inaccuracies must be reported and corrected by July 31, 2013 or the plan sponsor risks repayment of the ERRP reimbursements.

**Buck Comment.** It is important to note that data inaccuracies include both claims adjustments and prescription drug rebates that were estimated in an initial submission, but have since been finalized.

### In closing

Plan sponsors who have received ERRP reimbursements should ensure that any inaccuracies or updates required to the ERRP application or data submissions are corrected in a timely manner based on the above deadlines.

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**Produced by the Knowledge Resource Center of Buck Consultants at Xerox**

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