

CMS Announces 2015 Transitional Reinsurance Fee Submission Process

The deadlines for the 2015 transitional reinsurance fee are approaching. On September 23, CMS held a webinar that reviewed the 2015 submission process. The process is largely unchanged from 2014. Enrollment counts for purposes of determining the 2015 reinsurance fee must be submitted by November 16. Also, the second contribution for the 2014 reinsurance fee must be made by November 15.

Background

The Affordable Care Act's transitional reinsurance program was designed to help stabilize premiums in the individual market, both inside and outside the public marketplaces. Insurers and sponsors of self-insured group health plans must make contributions to the program for the 2014, 2015 and 2016 calendar years. The fees are \$63 per covered life for 2014, \$44 per covered life for 2015 and \$27 per covered life for 2016. Plan sponsors submit covered lives data and make payments through pay.gov. (See our [November 6, 2014 For Your Information](#).) The Centers for Medicare & Medicaid Services (CMS) has provided a [summary](#) of the program provisions and resources. CMS also held a webinar on September 23 that reviewed the 2015 submission process. The slides from that presentation are available on regtap.info.

Second 2014 Contribution Due by November 15

Plan sponsors had the option of paying the 2014 contribution in one payment or in two separate payments. For plan sponsors who chose to pay the 2014 contribution in two payments, the second payment of \$10.50 per covered life is due no later than November 15, 2015. The second payment date was already scheduled by plan sponsors with the submission of the 2014 enrollment count. The payment must be made using an Automated Clearing House (ACH) debit on pay.gov. Plan sponsors should ensure that they have sufficient funds in their account for this payment and that the automatic ACH debit will not be blocked by the bank.

Enrollment Count for 2015 Submission Due November 16

CMS uses the annual enrollment count to calculate an entity's contribution amount due for the applicable year. Plan sponsors have a choice of four counting methods. They may use different counting methods for their various plans and

Counting Methods:

- Actual Count
- Snapshot Count
- Snapshot Factor
- Form 5500

may also use a different counting method than that used for 2014. The counting methods are the same as last year (see sidebar on page 1). Under all alternatives except the Form 5500 Method, the number of covered lives for 2015 will be determined based on the first nine months of the 2015 calendar year. (For more information on the various counting methods, see our [November 6, 2014](#) and [March 25, 2015](#) editions of *For Your Information*.)

For 2015, the enrollment count submission is due by Monday, November 16. Plan sponsors must use the “2015 ACA Transitional Reinsurance Program Annual Enrollment and Contributions Submission Form” on [pay.gov](#) to submit their enrollment count. The form will auto-calculate the contribution amount owed based on the 2015 rate of \$44 per covered life. The 2015 Submission Form will be available on [pay.gov](#) on October 1, 2015. The submission and payment process is largely unchanged from last year, with the exception that most employers will no longer need to submit the supporting documentation that was required in 2014.

The amount due may be paid in one payment, due by January 15, 2016, or in two payments, the first of which is due by January 15, 2016 and the second by November 15, 2016.

Key Deadlines

Date	Activity	Contribution Amount
October 1, 2015	2015 ACA Transitional Reinsurance Program Annual Enrollment and Contributions Submission Form Available on Pay.gov	N/A
No later than November 15, 2015	Remit second contribution amount for 2014 benefit year	\$10.50/covered life
No later than November 16, 2015	Submit 2015 enrollment count and schedule payments	N/A
No later than January 15, 2016	Remit first contribution amount for 2015 benefit year The full contribution can be made in a single payment by this date	\$33/covered life \$44/covered life (if paying full contribution amount)
No later than November 15, 2016	Remit second contribution amount for 2015 benefit year	\$11/covered life

In Closing

For purposes of paying the second 2014 contribution amount, plan sponsors should confirm that adequate funds will be in the payment account on the payment date. Also, for the 2015 contribution, once covered lives information is available through September 2015, plan sponsors will be able to determine their enrollment count for 2015 and prepare the 2015 submission.

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