



Health Insurance Marketplace Notices/Appeals

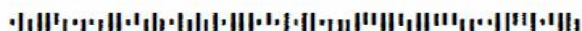


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June 21, 2016



Dear Benefits Manager:

The person listed below submitted an application for health coverage through the Health Insurance Marketplace in Tennessee and indicated that he or she is an employee of at the address shown above.

This person reported that he or she:

- didn't have an offer of health care coverage from
- did have an offer of health care coverage, but it wasn't affordable or didn't provide minimum value; or
- was in a waiting period and unable to enroll in health care coverage.

The employee has been determined eligible for advance payments of the premium tax credit (APTC) or cost-sharing reductions (CSRs) for at least one month during 2016 to help pay for Marketplace coverage and has enrolled in coverage through the Marketplace.

Employee Name	Birthday	Last 4 digits of Social Security Number (if available)	Marketplace Application ID

Why am I getting this notice?

This notice informs you that your employee was found eligible for APTC or CSRs and that, if various conditions are met, you may have to pay an employer shared responsibility payment to the Internal Revenue Service (IRS) in the future. It also notifies you of your opportunity to appeal this eligibility determination.

Certain employers (those with at least 50 full-time employees or full-time equivalent employees, called



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If you have questions: Visit go.cms.gov/CCIIOEmployers. Or call: 1-800-355-5856 (TTY: 711). The call is free.

What is this Marketplace Notice?

- **1411 Certification** - If the Secretary notifies an Exchange that an enrollee is eligible for a premium tax credit under section 36B of title 26 or cost-sharing reduction under section 18071 of this title because the enrollee's (or related individual's) employer does not provide minimum essential coverage through an employer-sponsored plan or that the employer does provide that coverage but it is not affordable coverage, the Exchange shall notify the employer of such fact and that the employer may be liable for the payment assessed under section 4980H of title 26
- The Exchange shall also notify each person receiving notice under this paragraph of the appeals processes established under subsection (f).

42 U.S. Code § 18081 (e)(4)(B)(iii),(C)

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applicable large employers) might have to pay an employer shared responsibility payment for any month that at least one full-time employee enrolled in Marketplace coverage and receives APTC or CSRs.

If is an applicable large employer, at least one of its employees received APTC or CSRs for at least one month during 2016, and it meets other Internal Revenue Service (IRS) criteria, the IRS may determine that it must pay an employer shared responsibility payment.

Important: This is only a notification that may have to pay an employer shared responsibility payment. **Only the IRS, not the Marketplace, can determine whether this employer will owe an employer shared responsibility payment.**



What are the Employer Shared Responsibility Provisions?

- “For 2015 and after, employers employing at least a certain number of employees (generally 50 full-time employees or a combination of full-time and part-time employees that is equivalent to 50 full-time employees) will be subject to the Employer Shared Responsibility provisions under section 4980H of the Internal Revenue Code. . . .
- If these employers do not offer affordable health coverage that provides a minimum level of coverage to their full-time employees (and their dependents), the employer may be subject to an Employer Shared Responsibility payment if at least one of its full-time employees receives a premium tax credit for purchasing individual coverage on one of the new Affordable Insurance Exchanges, also called a Health Insurance Marketplace (Marketplace).”

Questions and Answers on Employer Shared Responsibility Provisions Under the Affordable Care Act, Q/A #1, <https://www.irs.gov/affordable-care-act/employers/questions-and-answers-on-employer-shared-responsibility-provisions-under-the-affordable-care-act> (as visited on July 6, 2016)

How does an employer identify its full-time employees?

- The final regulations provide two measurement methods for determining full-time employee status
 - **Monthly Measurement Method** - an employer determines each employee's status as a full-time employee by counting the employee's hours of service for each month.
 - **Look-back Measurement Method** - an employer may determine the status of an employee as a full-time employee during a future period (referred to as the stability period), based upon the hours of service of the employee in a prior period (referred to as the measurement period)."

Questions and Answers on Employer Shared Responsibility Provisions Under the Affordable Care Act, Q/A #15, <https://www.irs.gov/affordable-care-act/employers/questions-and-answers-on-employer-shared-responsibility-provisions-under-the-affordable-care-act> (as visited on July 6, 2016)

- Remember to use ACA defined methods to track employees hours or the results above could be inaccurate!

Employer Shared Responsibility Penalties

- “If an applicable large employer does not offer coverage or offers coverage to fewer than 95% of its full-time employees (and their dependents), it owes an Employer Shared Responsibility payment equal to the number of full-time employees the employer employed for the year (minus up to 30) multiplied by \$2,000, as long as at least one full-time employee receives the premium tax credit.”

Questions and Answers on Employer Shared Responsibility Provisions Under the Affordable Care Act, Q/A #24, <https://www.irs.gov/affordable-care-act/employers/questions-and-answers-on-employer-shared-responsibility-provisions-under-the-affordable-care-act> (as visited on July 6, 2016)

- “For an employer that offers coverage to at least 95% of its full-time employees (and their dependents), but has one or more full-time employees who receive a premium tax credit, the payment is computed separately for each month. . . . The amount of the payment for the month equals the number of full-time employees who receive a premium tax credit for that month multiplied by 1/12 of \$3,000.”

Questions and Answers on Employer Shared Responsibility Provisions Under the Affordable Care Act, Q/A #25, <https://www.irs.gov/affordable-care-act/employers/questions-and-answers-on-employer-shared-responsibility-provisions-under-the-affordable-care-act> (as visited on July 6, 2016)

What can I do next?

You may 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 believe your employee was incorrectly determined eligible for APTC or CSRs because you offered the employee affordable, minimum value health coverage, filing an appeal could help reduce the employee's potential tax liability. Filing an appeal could also eliminate reports from the Marketplace to the IRS that your employee received APTC or CSRs following an appeal decision in your favor. **However, filing an appeal won't necessarily affect whether you have to pay an employer shared responsibility payment to the IRS, because the IRS will determine independently whether you have to pay.**

What are my appeal rights?



What are my appeal rights?

You have 90 days from the date of this notice to request an appeal from the Marketplace. For more information about the employer appeal process and to download the employer appeal request form, visit [HealthCare.gov/marketplace-appeals/employer-appeals](https://www.healthcare.gov/marketplace-appeals/employer-appeals) and mail the completed form to:

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

You may also fax the form through this secure fax line: 1-877-369-0129.

You must include a copy of this notice with your appeal request.

What can an appeal determine?

This appeal may determine if an employee was eligible for help with the costs of coverage through the Marketplace at the same time that you may have offered them affordable health coverage that met the minimum value standard. **This appeal will NOT determine if your organization has to pay the Employer Shared Responsibility Payment.** Only the Internal Revenue Service (IRS), not the Health Insurance Marketplace or the Marketplace Appeals Center, can determine which employers are subject to the Employer Shared Responsibility Payment as stated under section 4980H of the Internal Revenue Code.

Section 1: Employer Info

SECTION 1: Tell us about the employer who's requesting this appeal.

1. Business Name			Federal Employer ID Number (EIN)		
<input type="text"/>			<input type="text"/> - <input type="text"/>		
Primary business mailing address			Suite #		
<input type="text"/>			<input type="text"/>		
City	State	ZIP code			
<input type="text"/>	<input type="text"/>	<input type="text"/>			
Name of the primary contact (First name, Middle initial, Last name)			Phone number		
<input type="text"/>			<input type="text"/> - <input type="text"/> - <input type="text"/>		
Title of primary contact					
<input type="text"/>					
Primary business mailing address			Suite #		
<input type="text"/>			<input type="text"/>		
City	State	ZIP code	Phone number		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/> - <input type="text"/> - <input type="text"/>		

Section 2: Secondary Contact

SECTION 2: Designate a secondary contact. (optional)

This is someone who may act on your organization's behalf regarding this appeal request.

Name of the secondary contact (First name, Middle initial, Last name)			Phone number		
<input type="text"/>			<input type="text"/> - <input type="text"/> - <input type="text"/>		
Organization name (if applicable)			Title		
<input type="text"/>			<input type="text"/>		
Secondary contact mailing address			Suite #		
<input type="text"/>			<input type="text"/>		
City	State	ZIP code	Phone number		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/> - <input type="text"/> - <input type="text"/>		



Designating a secondary contact

You may authorize a secondary contact to help with your appeal. The secondary contact may act on your behalf, talk with the Marketplace Appeals Center, view your case file, and receive all correspondence regarding your appeal. To authorize a secondary contact complete **Section 2: Designate a secondary contact**.

Section 3: Basis for Appeal

SECTION 3: Tell us why you're appealing the Marketplace determination of this employee's eligibility for help with the costs of Marketplace coverage.

What's the date on the Marketplace notice? (mm/dd/yyyy)

 / /

What's the employee's first and last name?

What's the employee's date of birth (if available)?

 / /

What's the employee's Application ID # (if available on your notice)?

An individual may qualify for help with the costs of Marketplace coverage if the coverage that's offered by an employer doesn't meet minimum value requirements or isn't affordable with respect to the employee.

Use the space below to explain why this employee shouldn't have been eligible for advance payments of the premium tax credit and cost-sharing reductions (if applicable). Use extra paper, if necessary. If you're including documents to support your request, send us copies. Keep all original documents.

Elements to Support Appeal

- An offer of coverage was made to employee.
 - The employer's group health plan provides minimum value/minimum essential coverage.
 - The lowest cost self-only coverage option under the group health plan was affordable to employee.
-
- ❖ Also, make sure to include a copy of the Marketplace Notice with the appeal.

Section 4:

Primary Contact Signature

SECTION 4: Signature

By completing, signing, and dating below, I authorize the Marketplace Appeals Center to perform a review of whether the employer named on this form offered minimum essential coverage through an employer-sponsored plan that's considered affordable with respect to the relevant employee, and meets the minimum value standard.

I understand I may request a copy of my Marketplace appeal record and that certain information about the relevant employee's eligibility determination may or may not be made available to me as described in 45 CFR §155.555(g)(2) and 45 CFR §155.555(h).

By signing this form under penalty of perjury, I declare that I've provided true answers to all the questions that I've answered to the best of my knowledge. I know that I may be subject to penalties under federal law if I provide false information.

Signature

1. Printed name of primary contact (First name, Middle name, Last name)	Title
<input type="text"/>	<input type="text"/>
Signature	Date (mm/dd/yyyy)
<input type="text"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>

How to Submit the Appeal



How to submit this form

Complete and sign this form, and mail it with **copies** of any supporting documents to the address shown below.

**Health Insurance Marketplace
Dept. of Health and Human Services
465 Industrial Blvd.
London, KY 40750-0061**

You may also fax the form to a secure fax line: 1-877-369-0129.

You'll receive all future correspondence about this appeal from the Marketplace Appeals Center. The Marketplace Appeals Center is different from the Health Insurance Marketplace.

What happens next?



What happens next?

1. We'll send you a notice letting you know that that we received your appeal request. If there's a problem with the appeal request, we'll tell you how to correct the issue. We'll also send a notice to the employee listed on the notice you received from the Marketplace.
2. We'll review your appeal including any additional documentation provided by you and/or the associated employee. We may request additional information.
3. We'll send appeal decision notices explaining the outcome of our review to you and to the associated employee.

Take Aways

- The Marketplace Notice and accompanying appeals process provides employers an opportunity to contest employee Marketplace subsidies, which could potentially help reduce or eliminate ACA Employer Mandate penalties.
- Proper determination of an employee's ACA status under the applicable measurement method (look-back or monthly measurement) is vital to understanding the potential impact of the Marketplace Notice.
- Documenting offers of coverage (and/or waivers of coverage) will generally help employers support the basis for their appeal under Section 3 of the Employer Appeal Request Form.

Sources

- Slides 3,5,9 & 10 – Excerpts from Health Insurance Marketplace “1411 Certification/Marketplace Notice”
- Slides 11,17 & 18 – Excerpts from Health Insurance Marketplace “Instructions to help you complete the Employer Appeal Request Form” available at www.healthcare.gov/marketplace-appeals/employer-appeals
- Slides 12,13,14 & 16 – Excerpts from Health Insurance Marketplace “Employer Appeal Request Form” available at www.healthcare.gov/marketplace-appeals/employer-appeals

**Make smart choices. Simplify your
processes. Reduce your workloads.**

CONTACT US TODAY!

info@mybenefitschannel.com | 800.435.5023



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