AFFORDABLE CARE ACT UPDATES

WAIVER OF COVERAGE SAMPLE FORM
It is good practice to require a Waiver of Coverage Form to prove an employer’s offer of coverage and the employee’s waiver. A sample can be found below.

SAMPLE FORM

________________________________________
(Name of Employer)
WAIVER OF COVERAGE

Having met the eligibility requirements, you are being offered the opportunity to enroll in health coverage offered by _____________ (name of Employer). You have the right to decline, or waive coverage. If you do waive coverage for yourself, you may not cover dependents under the Employer’s health plan.

Note that if you waive coverage considered affordable and minimum essential under the Patient Protection and Affordable Care Act (ACA), you will not qualify for government credits and subsidies to purchase individual health insurance on the Marketplace.

The decision to waive coverage has consequences for you. For example:

• If you waive this coverage and do not obtain coverage on your own, you will be subject to a penalty under the individual responsibility requirement of the ACA.
• If you waive coverage, you cannot enroll in _____________ (name of Employer)’s health plan until the next open enrollment, unless you experience a qualified change in status. Examples include if you are covered under another plan but that coverage is lost, or if you gain a new dependent through birth, adoption, or marriage. However, you must request to enroll in your plan within 30 days of the qualified change in status. If you miss the 30-day enrollment deadline, you must wait until open enrollment.

I acknowledge that the Employer has offered me affordable minimum essential coverage, as defined under the ACA, for the period from _____________ to ________________. I have read the above and I understand the consequences of my waiver of coverage.

________________________________________
Name of Employee

________________________________________
Signature of Employee                                    Date

As a representative of the Employer, I received this Waiver of Coverage from the above employee on _____________ (Date).

________________________________________
Signature of the Employer Representative
**NEW FAQs REGARDING HEALTH PLAN IDENTIFIER MANDATE**
The Health and Human Service Department recently released new frequently-asked questions (FAQs) about the health plan identifier mandate (HPID) of ACA. These FAQs indicate that health savings accounts and health flexible spending arrangements, regardless of size, are exempt from the mandate.

In addition, health reimbursement arrangements (HRAs) that cover only other plans’ deductibles or out-of-pocket costs do not require HPIDs because they are more like additional plan benefits than stand-alone plans.

However, a stand-alone HRA (e.g., a retiree-only HRA) may need an HPID. The FAQs also clarify that sponsors may authorize third-party administrators and similar entities to seek plans’ HPIDs.

November 5 is the deadline for insurers and large self-insured plan sponsors to obtain the HPIDs.

The full set of FAQs is available [here](#).

**IRS INSTRUCTIONS FOR EMPLOYER REPORTING UNDER ACA**
The US Internal Revenue Service (IRS) has released guidance and draft forms instructing employers with 50 or more full-time employees on how to comply with the reporting requirements under the Affordable Care Act’s (ACA) employer mandate. Please note that these are still draft form, and unexpected issues or new legislation could require a change to a draft form.

The IRS release included draft instructions on the reporting requirements for the following forms:
- **Form 1094-B, Transmittal of Health Coverage Information Returns**
- **Form 1095-B, Health Coverage**
- **Form 1094-C, Transmittal of Employer-Provided Health Insurance Offer and Coverage Information**
- **Form 1095-C, Employer-Provided Health Insurance Offer and Coverage**

**MEDICARE OPEN ENROLLMENT LIMITATIONS**
Prior to the ACA, a Medicare recipient could change plans between November 15 and December 7 multiple times and the last plan chosen is what they kept. Then they had a chance from January 1 to March 31 to make one more change to their plan. So, if a Medicare recipient changed MAPD plans during the annual election period, and then realized they made a mistake either because they didn’t like their new doctor or the doctor no longer took the plan, they could change the plan one more time during the former open enrollment period.

Under the new post-ACA era, the open enrollment period is no longer available, so the recipient only has between October 15 and December 7 to change either their MAPD or PDP plans.
**PCORI FEE ADJUSTMENTS**
On September 18, 2014, the IRS released information which provides the dollar amount to be used for determining the Patient Centered Outcomes Research Institute (PCORI) fee for plans ending on or after October 1, 2014, and before October 1, 2015. Based on the percentage increase in the projected per capita amount of the National Health Expenditures published by Department of Health and Human Services on September 3, 2014, the applicable dollar amount that must be used to calculate the PCORI fees is $2.08 for policy years and plan years that end on or after October 1, 2014, and before October 1, 2015.

For more information, see [Notice 2014-56](#).

**IRS ISSUES UPDATED Q&As ON ACA REPORTING**
The IRS also recently released updated questions and answers (Q&As) providing guidance on the information reporting requirements under the ACA. The first set of Q&As provides guidance on reporting by health coverage providers under Internal Revenue Code (IRC) § 6055. The second set of Q&As relates to reporting on offers of health insurance coverage by employers under IRC § 6056.

The Q&As provide information regarding:
- the basics of employer and provider reporting
- who is required to report
- methods of reporting for employers under § 6056
- what information is required to be reported
- how to report the required information

The Q&As can be accessed here: [Questions and Answers on Information Reporting by Health Care Providers (Section 6055)](#) and [Questions and Answers on Reporting of Offers of Health Insurance Coverage by Employers (Section 6056)](#).