Section 1341 of the Affordable Care Act established a transitional reinsurance program to help stabilize premiums in the individual market inside and outside of the Marketplaces. The transitional reinsurance program collects contributions from contributing entities (issuers and certain self-insured group health plans offering major medical coverage) to fund reinsurance payments to issuers of non-grandfathered reinsurance-eligible individual market plans, the administrative costs of operating the reinsurance program, and the General Fund of the U.S. Treasury for the 2014, 2015 and 2016 benefit years.

For the 2014 benefit year, contributing entities were required to submit their annual enrollment count and remit their resulting contributions utilizing the “ACA Transitional Reinsurance Program Annual Enrollment and Contributions Submission Form” (Form) via www.pay.gov by December 5, 2014. Using Pay.gov, the contributing entity (or third party administrators or administrative services-only contractors on their behalf) entered their self-reported annual enrollment count in the Form which auto-calculated the annual contribution amount due based on the 2014 annual per capita national contribution rate for the 2014 benefit year of $63.00.

The Centers for Medicare & Medicaid Services (CMS) is aware that some contributing entities may have misreported their annual enrollment count for the 2014 benefit year due to misapplying an allowable counting method under 45 CFR 153.405(d) through (g) or including individuals in their annual enrollment who are exempt from consideration for purposes of reinsurance contributions under 45 CFR 153.400(a), potentially resulting in an overpayment. Contributing entities can generally correct these errors by simply refiling a Form through Pay.gov. Where the contribution payment has already been processed, the contributing entity is generally required to refile the Form with the correct annual enrollment count and CMS refunds the payment associated with the erroneous filing.

To enable CMS to provide issuers with their calculated 2014 benefit year reinsurance payment amount, for the 2014 benefit year contributing entities must send refund requests resulting from annual enrollment count misreporting to CMS by April 30, 2015 or 90 days from the date of their Form submission, whichever is later. For the 2015 and 2016 benefit years, refund requests resulting from annual enrollment count misreporting must be submitted 90 days from the date of Form submission. These requests and other inquiries regarding the reinsurance contribution submission process should be sent to reinsurancecontributions@cms.hhs.gov.

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1 Allowable counting methods are established in 45 CFR 153.405(d) through (g).
2 For additional information on Form refiling, please see the “ACA Transitional Reinsurance Program Annual Enrollment and Contributions Submission Form Manual” available at https://www.cms.gov/CCIIO/Programs-and-Initiatives/Premium-Stabilization-Programs/The-Transitional-Reinsurance-Program/Reinsurance-Contributions.html.
Please note that the deadlines set forth in this document do not apply when a contributing entity requests a refund because it has paid reinsurance contributions more than once for the same covered life. In addition, a contributing entity that correctly applied one of the counting methods set forth in 45 CFR 153.405(d) through (g) cannot request to change its annual enrollment count and associated payment after the reporting deadline for the applicable benefit year. Counting methods do not need to be consistent across benefit years and a contributing entity could elect to use a different counting method as applicable under 45 CFR 153.405(d) through (g) for the 2015 and 2016 benefit years.