



Single Payer Healthcare Delivery...Really?

IS A STATE LEVEL SINGLE PAYER A VIABLE REPLACEMENT OPTION FOR AFFORDABLE CARE ACT?

Before you answer the question, please interview a few patients that use the enormous government run Veterans Administration medical facilities. This may help you decide if a single payer system is the answer.

In the meantime, Single payer advocates have openly stated their intent to push for single-payer systems for some time now. We are seeing their efforts in various states. In Colorado, a single payer program, called ColoradoCare, has been placed on the ballot for a vote next April. As currently written, the program would eliminate the private employer plan business in the state. The funding mechanism would be payroll taxes on employers and employees. The low end of the tax is 10% for the employer and 10% for the employee. Once implemented however, these taxes would inevitably increase, sometimes incrementally and at others time dramatically.

Did You Prepare For 1094/1095 Filings?

Background on Forms 1094-C and 1095-C
Employers with 50 or more full-time employees (including full-time equivalent employees) in the previous year use Forms 1094-C and 1095-C to report the information about offers of health

coverage and enrollment in health coverage for their employees and non-employees. These Forms are used in determining whether an employer owes a payment under the ACA employer shared responsibility provisions, as well as in determining the eligibility of employees for the premium tax credit.

1094/1095 Reporting of COBRA Depends on the COBRA Triggering Event

COBRA must be offered for a variety of reasons, including a reduction in hours that results in the employee no longer being eligible for coverage. The final instructions set forth different rules for reporting COBRA offers and coverage depending on the type of COBRA event. I don't want to bore you with the details, but in September of 2015, the final Form 1095-C instructions were released providing direction on how to report for COBRA purposes. Make sure you or your company providing your filing services is current on the COBRA nuances and that your office has properly communicated the data.

More Reporting and More Fees

Medicare Secondary Payer Reporting Penalties are in full swing. The Section 111 of the Medicare, Medicaid, and SCHIP (State Children's Health Insurance Program) Extension Act of 2007 added mandatory reporting requirements with respect to Medicare beneficiaries who have coverage under group health plan arrangements. This requirement is often referred to as Section 111 Reporting and

IAA Legislative Ledger



Q-4-2015

December 10, 2015

Page | 2

it is designed to avoid Medicare Secondary Payer (MSP) payment errors by the government.

Researching the penalties for failure to comply with Section 111 Reporting resulted in some conflicting information. One document stated that entities that fail to comply with the MSP mandatory reporting requirements are subject to a civil monetary penalty of \$1,000 for each day of noncompliance for each individual for whom information should have been submitted. Another source stated that the penalty is in fact discretionary via a piece of legislation called the SMART Act, and that new regulations would be forthcoming as to what constitutes noncompliance.

IAA will keep you current on this issue. Unfortunately all this reporting adds cost to your organization so feel free to contact your local congressman with a plea for relief.

Special Incentives for Wellness Program

The Equal Employment Opportunity Commission (EEOC) published a proposed rule ("Proposed Rule") on October 30, 2015 amending the regulations implementing Title II of the Genetic Information Nondiscrimination Act (GINA) as they relate to employer wellness programs that are part of group health plans. The Proposed Rule addresses the extent to which an employer may offer incentives for an employee's spouse to provide information about his or her current or past health status as part of an employer-sponsored wellness program.

The Proposed Rule clarifies that an employer may offer, as part of its health plan, a limited incentive to an employee whose spouse:

1. Is covered under the employee's health plan;
 - 2) Receives health or genetic services offered by the employer, including as part of a wellness program; and
 - 3) Provides information about his or her current or past health status.
- Information about current or past health status usually is provided as part of a health risk assessment (HRA), which may include a questionnaire or medical examination, such as a blood pressure test or blood test to detect high cholesterol or high glucose levels.

The Proposed Rule offers some comfort level for employers seeking to offer spousal inducements to participate in health risk assessments. Adding to the confusion, the Proposed Rule only offers guidance on Title II of GINA and not Title I of GINA, which is under the jurisdiction of the Departments of Labor, Treasury, and HHS. We will try to figure this one out for you.

IAA has detailed answers to many of your questions regarding the above topics. Let us know if you need help. Have a Merry Christmas and Happy Holidays.

*Thank you,
Paul Kelly, President*