



Health Care Reform Update



IMPORTANT NOTICE REGARDING HEALTHCARE REFORM Update #53 **October, 2015**

IRS Increases PCORI Fees and HHS Issues 2015 Reinsurance Contributions Form

The IRS and HHS have released new information on health care reform's PCORI fees and reinsurance contributions.

Background

PCORI fees are used to fund research on patient-centered outcomes and apply to plan and policy years ending after October 1, 2012 and before October 1, 2019. Reinsurance contributions are used to fund a temporary reinsurance program (in operation from 2014 through 2016) intended to stabilize premiums in the individual insurance market.

For fully insured plans, the insurer is responsible for paying PCORI fees and reinsurance contributions. For self-insured plans, PCORI fees are imposed on the plan sponsor and generally cannot be paid from ERISA plan assets. Reinsurance contributions are imposed on the plan itself and may be paid from plan assets.

PCORI Fees

IRS Notice 2015-60 announces that the adjusted applicable dollar amount for PCORI fees for plan and policy years ending on or after October 1, 2015 and before October 1, 2016 will be \$2.17

Reinsurance Contributions

HHS has announced that the form for submitting the 2015 annual enrollment count and remitting the contribution amount owed for the transitional reinsurance program is now available. According to the announcement, contributing entities (generally, health insurers and self-insured group health plans providing major medical coverage) must submit the 2015 form and schedule their reinsurance contribution payments no later than November 16, 2015. The contribution amount is \$44 per covered life. If the contribution is made in a single payment, the payment is due no later than January 15, 2016. If the contribution is paid in two parts, the first payment (\$33 per covered life) is due no later than January 15, 2016 and the second payment (\$11 per covered life) is due no later than November 15, 2016. As with the 2014 benefit year, all submissions must be made online through the government portal, pay.gov.

Links providing additional information:

[IRS Notice 2015-60](#)

[HHS Announcement](#)

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