

legislativeUPDATE

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Early Retiree Reinsurance Program Guidance Released

The U.S. Department of Health and Human Services (HHS) has published further guidance for employers whose applications have been accepted to prepare for receiving reimbursement under the Early Retirement Reinsurance Program (ERRP). The ERRP provides reimbursement to participating employment-based plans for a portion of the costs of health benefits for early retirees and early retirees' spouses, surviving spouses, and dependents. Participating plan sponsors are advised to closely monitor the evolving guidance. Starting in October, sponsors with approved applications who submit funding requests will begin to receive reimbursement for eligible claims. Sponsors whose ERRP applications have been approved can now prepare for the next steps in the reimbursement process -- completing their list setup and submission of their early retiree lists.

Accessing the ERRP Secure Website. The ERRP Center has implemented the [ERRP Secure Website \(SWS\) system](#) which will facilitate the cost reporting and reimbursement process. Authorized representatives and account managers associated with approved plan sponsor applications are receiving emails from the ERRP Center with registration links to register with the ERRP website. Because the ERRP website will be a key method of communication, these individuals are encouraged to register as soon as possible after receiving their registration email.

Early Retiree List. Plan sponsors are encouraged to begin to engage the entities they will be working with to provide the ERRP Center with early retiree lists. The plan sponsor will need to work closely with these entities to determine who in their plan(s) meet the ERRP criteria based on age, employment status, other regulatory criteria, and claim experience; and how the early retiree lists will be submitted to the ERRP Center. A plan sponsor must have an approved application and have completed Early Retiree List Setup in the ERRP website, in order to submit an Early Retiree List. Refer to the [common questions](#) on the ERRP website for guidance about the types of individuals who are considered early retirees and whether an early retirees' costs are eligible for reimbursement under the ERRP.

Claims for Reimbursement. Recently released [guidance](#) clarifies ERRP reimbursement policy. Generally, only items and services that would be covered by Medicare can be submitted to ERRP. Detailed guidance on those services as well as the format for claim submissions will be posted on the ERRP website. Questions can be directed to help@errp.gov with the phrase "ERRP/Medicare Questions" in the email's subject line.

Form Notice. Sponsors participating in the ERRP must provide a [form notice](#) to plan participants notifying them that, because the sponsor is participating in the ERRP with respect to the plan, the sponsor may use the reimbursements to reduce plan participants' premium contributions, copayments, deductibles, co-insurance, or other out-of-pocket costs, and therefore plan participants may experience such changes in the terms and conditions of their plan participation. Sponsors must use the form notice and follow the instructions on the manner and timing of delivering the notice.

More information about the ERRP, a full alphabetical list of participants, and an interactive map displaying participants by State is available [online](#).

As new information is issued on health reform, Conner Strong will issue alerts and updates. Should you have any questions, please contact your Conner Strong representative toll-free at 1-877-861-3220. For information related to national health insurance reform, please visit our compliance center on insurance reform at www.connerstrong.com/healthcare_reform.

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