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Allied Pay or Play Solutions Give Employers Affordable Options

The Affordable Care Act (ACA) Employer Shared Responsibility provision (ESR), also known as Pay or Play, requires Applicable Large Employers (ALEs) to provide health coverage or possibly face hefty penalties for noncompliance.

Some employers may want to avoid the penalty in the least expensive way possible. Some employers may decide to come into compliance by extending some level of coverage to all employees – not just management; but still want to keep it affordable. The Allied Pay or Play Solutions offer several ways to manage the expense of this mandate.

Pay or Play Solutions plan levels:

Level 1: Preventive Services Only Minimum Essential Coverage (PMEC) – The PMEC Plan offers the least expensive possible option for an employer to currently comply with the MEC requirement and avoid the \$2,000 per employee penalty as well as provide employees with coverage to satisfy the individual mandate.

Level 2: MEC Value Plan – Our MEC Value provides our PMEC benefits and adds benefits for most outpatient services, generic drugs and indemnity benefits for surgery and inpatient admissions. It is guaranteed issue with no medical underwriting.

Level 3: Low Cost Minimum Value Plans – The goal of these low cost minimum value plans is to offer employees comprehensive medical coverage that satisfies all mandates for MEC AND Minimum Value, avoiding all penalties.

- The **MediPay Plan** provides traditional major medical coverage where reimbursement to providers is reference based on a multiple of Medicare reimbursement levels. There is no network, members are free to go to any provider. This provides low plan cost but members will be responsible for balance billing from providers who won't accept the selected Medicare reimbursement levels.
- The **MVP 50 Plus Plan** is specifically for ALEs. This plan provides high deductible major medical benefits at a guaranteed rate (subject to underwriting eligibility) to provide an affordable minimum value alternative. The plan covers all major medical services using our MediPay reimbursement. Prescription drug coverage is limited to generic drugs. Coverage is available to eligible employees and dependent children only.

Level 4: Major Medical Plans – We offer multiple self-funded major medical plan options. Self funding, long term, is the lowest possible way to deliver employee benefits with the industry changes brought on by the ACA.

- **MediPay Plan** – Benefits and reimbursement can be set at any level to meet the employer's cost and benefits needs.
- **Provider Freedom Plan** – Provides multiple benefit options while eliminating the need for a PPO network. Members are free to seek services from any provider and are protected from balance billing by providers.
- **Premium Advantage Plans** – Our traditional PPO-based plans with multiple benefit options to suit any cost need.

Download our brochure at www.alliednational.biz/3130.pdf for more details on Allied's Pay or Play Solutions. Visit www.alliednational.com/esr.html for information on the ACA's Employer Shared Responsibility (Pay or Play Mandate).

Make Sure Your Clients Report Credible Coverage Status

Employers need to complete the Online Disclosure to Centers for Medicare & Medicaid Services (CMS) Form to report the credible coverage status of any Medicare eligible employees under the Medicare Modernization Act (MMA). The report must be completed within 60 days after the end of the company's plan year (most reports are due the end of February.) Allied National will send out a reminder in January about the employer's status.

Visit www.cms.gov/CreditableCoverage/45_CCDisclosureForm.asp for more information.

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New Allied Web Page on 1095C Reporting

Agents and employers have both expressed interest in learning more about IRS Form 1095C that Applicable Large Employers (ALE) need to fill out under the Affordable Care Act's Section 6055 and 6056 reporting requirements.

Form 1095-C is to be filed and furnished to any employee of an ALE who is a full-time employee for one or more months of the calendar year. ALEs must report that information for all 12 months of the calendar year for each employee.

To assist you with finding information about this requirement for your clients, we're featuring a web page devoted to the "Employer Reporting of Health Coverage – Sections 6055 & 6056." The page can be accessed from either of these locations:

- **For agents:** www.alliednational.com/health-care-reform.html under the Health Care Reform section.
- **For employers:** www.alliednational.com/employer-resources.html under the Health Care Reform section.

Marketplace Open Enrollment Opportunities for Agents

There are things you can do to capitalize on the government's open enrollment period for individual health insurance on the Marketplace now through Jan. 31, 2016.

Think short term

Consider selling short-term health coverage, which can provide individuals with up to 364 days of coverage at a cost they can afford. With Allied National's Short Term Medical PLUS (STMP) plan, you can sell the coverage through a personalized web page.

Keep in mind that short-term medical products do not meet the Affordable Care Act's definition of minimal essential coverage and therefore do not fulfill an individual's requirement to maintain coverage. However, short-term coverage can be an invaluable option in these situations:

- Cobra – Former employees who are unable to qualify for or afford individual coverage or Cobra often are excellent candidates for short-term coverage.
- Affordable alternative to group insurance – A *New York Times* article (tinyurl.com/nu2oc2c) that ran online Oct. 19, 2015, stated that many low-income workers are discovering that employer-subsidized coverage is still too expensive for them to afford. For employees who make too much to get subsidized coverage on the Marketplace, short-term coverage can be an affordable option.

Call Sales Support at 888-767-7133 or email sales@alliednational.com if you sell in one of the following states and would like a personalized STMP web page: AR, CO, DC, DE, FL, GA, IA, IL, IN, MI, MO, NC, NE, NM, NV, OH, OK, OR, PA, RI, SC, TN, TX, VA, WV, WI, and WY.

Employers May Need Assistance with COBRA Responsibilities

Employers are required to notify those who lose their health benefit coverage of their right to COBRA coverage. Employers also must collect premium payments from anyone who accepts COBRA coverage.

COBRA refers to Title X of the Consolidated Budget Reconciliation Act of 1985. This act allows employees who have lost their health care coverage to continue coverage at the employee's expense for a specified length of time. To qualify for COBRA benefits, the employee must be employed by an employer who has 20 or more employees (although some states have "mini-COBRA" laws to include small-business owners who offer group health insurance plans). The coverage also applies to employee's dependents.

What Allied can and can't do for employers

While Allied National CAN provide the employer with notices of eligibility and a copy of the COBRA kit, we are NOT a traditional COBRA administrator. We don't remove COBRA participants from the group plan, and it is up to the employer to collect the premium payment.

Who can assist

Many employers rely on the services of COBRA plan administrators. Many of whom advertise online:

- COBRA
- COBRAGuard
- Benefit Managers
- P&A Group