



Health Insurance Marketplace Subsidy Notifications

It appears as if the Department of Health and Human Services has recently been on a notice mailing binge. Many companies have received a version of the notice pictured below in the last few weeks. The Centers for Medicare & Medicaid Services (CMS) has issued a helpful FAQ document about the notices that you can access [here](#).

Here are some summary items to take note of:

- This is not an announcement of penalty, only a notice that one of your employees applied for and was found eligible for a subsidy in the exchange.
- There is no action that needs to be taken at this time as the IRS, not the HHS/Marketplace, issues the penalties.
- If the system works correctly, then cross referencing this with the 1095-C reports they received should result in no further action if an appropriate offer was made and declined or if the employee is ineligible for coverage based on employment status.

We would advise a client to appeal this particular notice as if they did actually offer the employee coverage and they still applied for the subsidy. In that case, the employee should have never received the subsidy and that is something you can appeal with the HHS/Marketplace and avoid this issue going to the IRS. There is information on how to appeal at the end of the form and businesses have 90 days from reception of the notice to appeal. There is also information regarding how to appeal in the [FAQ from CMS](#).

June 21, 2016

Dear Benefits Manager:

The person listed below submitted an application for health coverage through the Health Insurance Marketplace in Tennessee and indicated that he or she is an employee of **WRIGHT BROTHER'S CONSTRUCTION** at the address shown above.

This person reported that he or she:

- didn't have an offer of health care coverage from
- did have an offer of health care coverage, but it wasn't affordable or didn't provide minimum value; or
- was in a waiting period and unable to enroll in health care coverage.

The employee has been determined eligible for advance payments of the premium tax credit (APTC) or cost-sharing reductions (CSRs) for at least one month during 2016 to help pay for Marketplace coverage and has enrolled in coverage through the Marketplace.

Employee Name	Birthday	Last 4 digits of Social Security Number (if available)	Marketplace Application ID

Why am I getting this notice?

Contact your Scott **Benefits Consultant** with any questions.

Written by Greg Stancil

Greg Stancil serves as a Senior Account Executive at Scott Benefit Services with over 17 years of experience in the healthcare industry, working with PPO networks, carriers and as a consultant. He also serves as Director of Healthcare Reform, as which he oversees Scott's client healthcare reform plan actuarial validation and affordability custom modeling, healthcare client checklist, due diligence process and client HCR monthly webinar series. Additionally, Greg conducts healthcare reform workshops across the country and manages Scott's healthcare reform blog. Greg attended Luther Rice University and has his Registered Health Underwriter (RHU), Chartered Healthcare Consultant (ChHC) and Certificate of Studies in Healthcare Reform designations from the American College.