

ERRP

Early Retiree Reinsurance Program

Plan Sponsor Application Instructions



U.S. Department of Health and Human Services

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1087. The time required to complete this information collection is estimated to average 35 hours, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

Early Retiree Reinsurance Program (ERRP) Plan Sponsor Instructions for Completing an Application

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES

Overview

The Early Retiree Reinsurance Program (ERRP) was established by section 1102 of the Patient Protection and Affordable Care Act (the Affordable Care Act), P.L. 111-148, enacted on March 23, 2010. The Congress appropriated funding of \$5 billion for the temporary program. Section 1102(a)(1) requires the Secretary to establish this temporary program not later than 90 days after enactment of the statute, which is June 21, 2010. The program ends no later than January 1, 2014. The program provides reimbursement to participating employment-based plans for a portion of the cost of health benefits for early retirees and their spouses, surviving spouses and dependents. The Secretary will reimburse plans for certain claims between \$15,000 and \$90,000 (with those amounts being indexed for plan years starting on or after October 1, 2011). The purpose of the reimbursement is to make health benefits more affordable for plan participants and sponsors so that health benefits are accessible to more Americans than they would otherwise be without this program.

The program addresses the recent erosion in the number of employers providing health benefits to early retirees. People in the early retiree age group often face difficulties obtaining insurance in the individual market because of advanced age or chronic conditions that make coverage unaffordable and inaccessible. The program provides needed financial help for employer-based plans to continue to provide valuable coverage to plan participants, and provides financial relief to plan participants.

The program provides reimbursement to participating sponsors of employment-based plans for a portion of the costs of providing health benefits to early retirees (and eligible spouses, surviving spouses, and dependents of such retirees). The program regulation at 45 C.F.R. Part 149 defines the term “sponsor”, “employment-based plan”, “health benefits,” and “early retiree,” as well as many other important terms that are relevant to the program. The regulation also sets forth the requirements of the program, including the requirements discussed in these instructions.

This document provides general instructions with respect to completing a program application (see ERRP regulation at 45 C.F.R. §149.40). Please note that if any information in the Application changes or if the sponsor discovers that any information is incorrect, the sponsor is required to promptly report the change or inaccuracy.

It is critical for program applicants and participants to read the regulation in order to fully understand which organizations qualify for the program, how to apply for the program, what costs are eligible for reimbursement under the program, how to submit a request for reimbursement under the program, and sponsors’ obligations under the program.

Application Information

General Instructions for Completing and Submitting the ERRP Application

The ERRP application has been designed by the U.S. Department of Health & Human Services (HHS) to assist in the efficient administration of the ERRP in compliance with Federal regulatory requirements at 45 C.F.R. Part 149. HHS will make an announcement on the applicable HHS webpage when applicants can begin submitting applications, with information on how applications must be submitted. We encourage interested parties to regularly monitor www.hhs.gov/ociio/ for this and other program information.

The following is an overview of the application process:

1. The Account Manager or Authorized Representative completes ALL parts of the application, including the Plan Sponsor Agreement which must be signed by the Plan Sponsor's Authorized Representative.
2. The completed application is submitted.
3. Plan Sponsors will be notified about the status of their application.

.An applicant must submit an application for each plan for which it will submit a reimbursement request. The application must be completed in its entirety (and reviewed and approved by HHS) in order to participate in the ERRP. HHS will certify the sponsor and the plan when the application is approved. Even if the submitted application satisfies all criteria specified in the program regulation, it may be denied, depending on the availability of limited ERRP funds.

Complete the items in Parts I through IV. Responses to all items marked with an asterisk (*) are required. The following are specific instructions for each Part for each item that is not self explanatory.

APPLICATION PART I: Plan Sponsor and Key Personnel Information

A. Plan Sponsor Information

Complete the required information in items 1-7.

Item 1: The Plan Sponsor Organization Name must be the same as that associated with its Federal Employer Tax Identification Number (EIN).

Item 2: This item is self-selected by the Plan Sponsor. Please choose the one category that best describes the Plan Sponsor's type of organization.

Item 6: Organization address must be the address associated with the EIN.

B. Authorized Representative Information

An Authorized Representative is an individual with legal authority to sign and bind a sponsor to the terms of a contract or agreement. Examples of the Authorized Representative include the Sponsor's general partner, CFO, CEO, President, Human Resource Director, or an individual who holds a position of similar status and authority within the Plan Sponsor's organization. Only one individual at a time can serve in the role of Authorized Representative. For multi-employer plans, the Authorized Representative does not have to be an employee of the Plan Sponsor, but may be a member of the jointly appointed board of trustees, which includes both labor and management trustees. An Authorized Representative of the requesting Plan Sponsor must sign the Plan Sponsor Agreement in the completed application and certify that the information contained in the application is true and accurate to the best of the Plan Sponsor's knowledge and belief.

The Authorized Representative is responsible for the completion of the required information in Items 1-9.

Item 4: The Authorized Representative's Social Security Number must be provided in order to verify the individual's identity, and therefore help maintain the integrity of the Early Retiree Reinsurance Program.

C. Account Manager Information

The Account Manager is generally the individual who coordinates the application process for the Plan Sponsor, and is the Sponsor's primary contact with HHS with respect to the application. An Account Manager may be an employee of the Plan Sponsor, or a non-employee, such as a consultant, with whom the Plan Sponsor has an arrangement to assist with the application process. There can be only one Account Manager per ERRP application at a time.

Complete the required information in Items 1-9 for the Account Manager Information.

Item 4: The Account Manager's Social Security Number must be provided in order to verify the individual's identity, and therefore help maintain the integrity of the Early Retiree Reinsurance Program.

APPLICATION PART II: Plan Information

A. Plan Information

Complete the required information in Items 1-2 for the employment-based plan for which you are requesting ERRP payments.

Item 2: For ERRP purposes, your plan year cycle start (MM/DD) and end (MM/DD) are determined as follows: The plan year as the year that is designated as the plan year in the plan document of an employment-based plan, except that if the plan document does not designate a plan year, if the plan year is not a 12-month plan year, or if there is no plan document, the plan year is: (1) the deductible or limit year used under the plan; (2) the policy year, if the plan does not impose deductibles or limits on a 12-month basis; (3) the sponsor's taxable year, if the plan does not impose deductibles or limits on a 12-month basis, and either the plan is not insured or the insurance policy is not renewed on a 12-month basis, or (4) the calendar year, in any other case. (See the program regulation at 45 C.F.R. §149.2).

B. Benefit Option(s) Provided Under This Plan

Complete the required information in items 1a-d for each benefit option in the plan for which you are requesting reimbursement under the program.

Item 1b: Unique Benefit Option Identifier uniquely identifies each benefit option under the plan. If a Group Number uniquely identifies each option under the plan, then that number may be used. If a Group Number does not uniquely identify each benefit option, then the Plan Sponsor should assign an identifier to each option. Plan Sponsors may use existing internal identifiers, or can develop one specifically for purposes of completing the ERRP application.

Item 1d: Specify the name of the insurer, third-party administrator, or other entity that is administering the benefit option.

If the plan has more than one benefit option for which the sponsor intends to seek program reimbursement, please indicate the information in Items 1a-d for each such benefit option, with each benefit option listed in a separate copy of the attachment that appears at the end of this application.

C. Programs and Procedures for Chronic and High-Cost Conditions

In completing this item, please follow the instructions in the application. Please be aware that the ERRP regulation defines "chronic and high-cost condition" as a condition for which \$15,000 or more in health benefit claims are likely to be incurred during a plan year by one plan participant. (See the ERRP regulation at 45 C.F.R. §149.2). Therefore, you should make clear in your summary that the conditions for which you have programs and procedures in place, have resulted in \$15,000 or more in health benefit claims, or likely would result in such amount of claims, absent the programs and procedures, for one plan participant, during a plan year.

D. Estimated Amount of Early Retiree Reinsurance Program Proceeds

In completing this item, please follow the instructions in the application.

E. Intended Use of Early Retiree Reinsurance Program Proceeds

In completing this item, please be aware that the ERRP regulation specifies that the sponsor must use the proceeds under this program for the following purposes: (1) To reduce the sponsor's health benefit premiums or health benefit costs, or (2) To reduce health benefit premium contributions, copayments, deductibles, coinsurance, or other out-of-pocket costs, or any combination of these costs, for plan participants, or (3) To reduce any combination of the costs in (1) and (2). Proceeds under this program must not be used as general revenue for the sponsor. (See the ERRP regulation at 45 C.F.R. §149.200). In completing this item, please follow the instructions in the application.

APPLICATION PART III: Banking Information for Electronic Funds Transfer

All ERRP payments will be paid via electronic funds transfer. In order to receive payments, all information in this section must be provided.

Please provide the required information for Items 1-9 for the Plan Sponsor's bank and related information.

APPLICATION PART IV: Plan Sponsor Agreement

The Authorized Representative of the Plan Sponsor must read the Plan Sponsor Agreement, and if the terms are accepted, must indicate acceptance by providing his or her signature.

Attachment: Additional Benefit Options

If the plan has more than one benefit option for which the sponsor intends to seek program reimbursement, please indicate the information in PART II, B, items 1a through 1d, for each such benefit option, with each benefit option listed on a separate copy of this attachment.

ERRP

Early Retiree Reinsurance Program Application



U.S. Department of Health and Human Services

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HHS Form # CMS-10321

Please note that if any information in this Application changes or if the sponsor discovers that any information is incorrect, the sponsor is required to promptly report the change or inaccuracy.

An asterisk (*) identifies a required field.

PART I: Plan Sponsor and Key Personnel Information	
A. Plan Sponsor Information	
1) *Organization's Name (Must correspond with the information associated with the Federal Employer Tax Identification Number (EIN): _____	
2) *Type of Organization (Check the one category that best describes your organization): <input type="checkbox"/> Government <input type="checkbox"/> Union <input type="checkbox"/> Religious <input type="checkbox"/> Commercial <input type="checkbox"/> Non-profit	
3) *Organization's Employer Identification Number (EIN): _____	
4) *Organization's Telephone Number: ____ ext. _____	
5) Organization's FAX Number _____	
6) *Organization's Address (must be the address associated with the EIN provided above): * Street Line 1: _____ Street Line 2: _____ *City: _____ *State/US Territory: _____ *Zip Code: _____	
7) Organization's Website Address: _____	
B. Authorized Representative Information	
1) *First Name: _____ Middle Initial (optional): ____ *Last Name: _____	
2) *Job Title: _____	
3) *Date of Birth(Month/Day/Year): _____	
4) *Social Security Number: _____	
5) *Email Address: _____	
6) *Telephone Number: _____ ext _____	
7) FAX Number: _____	

8) *Employer Name: _____

9) * Authorized Representative Business Address:

* Street Line 1: _____

Street Line 2: _____

*City: _____

*State/US Territory: _____

*Zip Code: _____

C. Account Manager Information

1) *First Name: _____ Middle Initial (optional): ____ *Last Name: _____

2) *Job Title: _____

3) *Date of Birth(Month/Day/Year): _____

4) *Social Security Number: _____

5) *Email Address: _____

6) *Telephone Number: _____ ext _____

7) FAX Number: _____

8) *Employer Name: _____

9) *Account Manager Business Address:

* Street Line 1: _____

Street Line 2: _____

*City: _____

*State/US Territory: _____

*Zip Code: _____

PART II: Plan Information
A. Plan Information
1) *Plan Name:
2) *Plan Year Cycle: Start Month/Day: _____ End Month/Day: _____
B. Benefit Option(s) Provided Under This Plan (If the plan has more than one benefit option for which you intend to seek program reimbursement, please include the information below for each benefit option, on a separate copy of the Attachment below.
1a) *Benefit Option Name: _____
1b) *Unique Benefit Option Identifier: _____
1c) *Benefit Option Type: Self-Funded _____ Insured _____ Both _____
1d) *Benefit Administrator Company Name: _____
C. *Programs and Procedures for Chronic and High-Cost Conditions
<p>A sponsor cannot participate in the Early Retiree Reinsurance Program unless, as of the date of its application for the program is submitted, its employment-based plan has in place programs and procedures that have generated or have the potential to generate cost savings with respect to plan participants with chronic and high cost conditions. The program regulations define “chronic and high cost condition” as a condition for which \$15,000 or more in health benefit claims are likely to be incurred during a plan year by one plan participant. Please identify the chronic and high cost conditions for which the employment-based plan has such programs and procedures in place, and summarize those programs and procedures, including how it was determined that the identified conditions satisfy the \$15,000 threshold. If necessary to provide a complete response, the sponsor may submit additional pages as an attachment to the application. Please reference such attachment in this space.</p>
D. *Estimated Amount of Early Retiree Reinsurance Program Reimbursements
<p>Please estimate the projected amount of proceeds you expect to receive under the Early Retiree Reinsurance Program for the plan identified in this application, for each of the first two plan year cycles identified in this application. If you wish, you may provide a range of expected program proceeds that includes: (1) a low-end estimate of expected program proceeds, (2) an estimate that represents your most likely amount of program proceeds, and (3) a high-end estimate of expected program proceeds. For purposes of this estimate only, please assume for each of those plan year cycles that there will be sufficient program funds to cover all claims submitted by the Plan Sponsor that comply with program requirements. If necessary to provide a complete response, the sponsor may submit additional pages as</p>

an attachment to the application. Please reference such attachment in this space.

E. *Intended Use of Early Retiree Reinsurance Program Reimbursements

- 1) Please summarize how your organization will use the reimbursement under the Early Retiree Reinsurance Program to reduce health benefit or health benefit premium costs for the sponsor of the employment-based plan (i.e., to offset increases in such costs); or reduce premium contributions, copayments, deductibles, coinsurance, or other out-of-pocket costs (or combination of these) for plan participants; or reduce a combination of any of these costs (whether offsetting increases in sponsor costs or offsetting or reducing plan participants' costs). If necessary to provide a complete response, the sponsor may submit additional pages as an attachment to the application. Please reference such attachment in this space.

- 2) If a sponsor decides to apply the reimbursement for its own use, it may only use the reimbursement to offset increases in its health benefit premium costs, if an insured plan, or its health benefit costs, if it is self-funded. If any amount of the reimbursement is used to offset increases in health benefit premium or health benefit costs of your organization (as opposed to offsetting increases to, or reducing, plan participants' costs), please summarize how program funds, as a result of being used by your organization for such purposes, will relieve your organization of using its own funds to subsidize such increases, thereby allowing your organization to instead use its own funds to maintain its level of financial contribution to the employment-based plan. (In other words, please explain how your organization will continue to maintain the level of support for this plan, and if it applies the reimbursement for its own use, will use the program reimbursement to pay for increases in health benefit premium costs or health benefit costs, as applicable). If necessary to provide a complete response, the sponsor may submit additional pages as an attachment to the application. Please reference such attachment in this space.

PART III: Banking Information for Electronic Funds Transfer

1) *Bank Name: _____

2) *Bank Address:

*Street Line 1: _____

Street Line 2: _____

*City: _____

*State/US Territory: _____

*Zip Code: _____

3) *Account Number: _____

4) *Name of Organization Associated with Account: _____

5) *Account type: (Checking or Savings Account) _____

6) *Bank Routing Number: _____

7) *Bank Contact First Name: _____ Middle Initial (optional): ____ *Last Name: _____

8) *Email address: _____

9) *Telephone Number: _____

PART IV. Plan Sponsor Agreement	
1.	Compliance: In order to receive program reimbursement(s), Plan Sponsor agrees to comply with all of the terms and conditions of Section 1102 of the Patient Protection Act (P.L. 111-148) and 45 C.F.R. Part 149 and in other guidance issued by the Secretary of the U.S. Department of Health & Human Services (the Secretary), including, but not limited to, the conditions for submission of data for obtaining reimbursement and the record retention requirements.
2.	Reimbursement-Related and Other Representations Made by Designees: Plan Sponsor may be given the opportunity to identify one or more Designees (i.e., individuals the Sponsor will authorize to perform certain functions on behalf of the Sponsor related to the Early Retiree Reinsurance Program, such as individual(s) who will be involved in making program reimbursement requests). Plan Sponsor certifies that all individuals that will be identified as Designees will have first been given authority by the Plan Sponsor to perform those respective functions on behalf of the Plan Sponsor. Plan Sponsor understands that it is bound by any representations such individuals make with respect to the Sponsor's involvement in the Early Retiree Reinsurance Program, including but not limited to the Sponsor's reimbursement under, the program.
3.	Written Agreement: Plan Sponsor certifies that, prior to submitting a Reimbursement Request, it has executed a written agreement with its health insurance issuer or employment-based plan regarding disclosure of information, data, documents, and records to HHS, and the issuer or plan agrees to disclose to HHS, on behalf of the Plan Sponsor, at a time and in a manner specified by the HHS Secretary in guidance, the information, data, documents, and records necessary for the Plan Sponsor to comply with the requirements of the Early Retiree Reinsurance Program, as specified in 45 C.F.R. 149.35.
4.	Use of Records: Plan Sponsor understands and agrees that the Secretary may use data and information collected under the Early Retiree Reinsurance Program only for the purposes of, and to the extent necessary in, carrying out Section 1102 of the Patient Protection Act (P.L. 111-148) and 45 C.F.R. Part 149 including, but not limited to, determining reimbursements and reimbursement-related oversight and program integrity activities, or as otherwise allowed by law. Nothing in this section limits the U.S. Department of Health & Human Services' Office of the Inspector General's authority to fulfill the Inspector General's responsibilities in accordance with applicable Federal law.
5.	Obtaining Federal Funds: Plan Sponsor acknowledges that the information furnished in its Plan Sponsor application is being provided to obtain Federal funds. Plan Sponsor certifies that it requires all subcontractors, including plan administrators, to acknowledge that information provided in connection with a subcontract is used for purposes of obtaining Federal funds. Plan Sponsor acknowledges that reimbursement of program funds is conditioned on the submission of accurate information. Plan Sponsor agrees that it will not knowingly present or cause to be presented a false or fraudulent claim. Plan Sponsor acknowledges that any excess reimbursement made to the Plan Sponsor under the Early Retiree Reinsurance Program, or any debt that arises from such excess reimbursement, may be recovered by the Secretary. Plan Sponsor will promptly update any changes to the information submitted in its Plan Sponsor application. If Plan Sponsor becomes aware that information in this application is not (or is no longer) true, accurate and

	complete, Plan Sponsor agrees to notify the Secretary promptly of this fact.
6.	<p>Data Security: Plan Sponsor agrees to establish and implement proper safeguards against unauthorized use and disclosure of the data exchanged under this Plan Sponsor application. Plan Sponsor recognizes that the use and disclosure of protected health information (PHI) is governed by the Health Insurance Portability and Accountability Act (HIPAA) and accompanying regulations. Plan Sponsor certifies that its employment-based plan(s) has established and implemented appropriate safeguards in compliance with 45 C.F.R. Parts 160 and 164 (HIPAA administrative simplification, privacy and security rule) in order to prevent unauthorized use or disclosure of such information. Sponsor also agrees that if it participates in the administration of the plan(s), then it has also established and implemented appropriate safeguards in regard to PHI. Any and all Plan Sponsor personnel interacting with PHI shall be advised of: (1) the confidential nature of the information; (2) safeguards required to protect the information; and (3) the administrative, civil and criminal penalties for noncompliance contained in applicable Federal laws.</p>
7.	<p>Depository Information: Plan Sponsor hereby authorizes the Secretary to initiate reimbursement, credit entries and other adjustments, including offsets and requests for reimbursement, in accordance with the provisions of Section 1102 of the Patient Protection Act (P.L. 111-148) and 45 C.F.R Part 149 and applicable provisions of 45 C.F.R. Part 30, to the account at the financial institution (hereinafter the "Depository") indicated under the Electronic Funds Transfer (EFT) section of the Plan Sponsor application. Plan Sponsor agrees to immediately pay back any excess reimbursement or debt upon notification from the Secretary of the excess reimbursement or debt. Plan Sponsor agrees to promptly update any changes in its Depository information.</p>
8.	<p>Policies and Procedures to Detect Fraud, Waste and Abuse. The Plan Sponsor attests that, as of the date this Application is submitted, has in place policies and procedures to detect and reduce fraud, waste, and abuse related to the Early Retiree Reinsurance Program. The Plan Sponsor will produce the policies and procedures, and necessary information, records and data, upon request by the Secretary, to substantiate existence of the policies and procedures and their effectiveness, as specified in 45 C.F.R. Part 149.</p>
9.	<p>Change of Ownership: The Plan Sponsor shall provide written notice to the Secretary at least 60 days prior to a change in ownership, as defined in 45 C.F.R, 149.700. When a change of ownership results in a transfer of the liability for health benefits costs, this Plan Sponsor Agreement is automatically assigned to the new owner, who shall be subject to the terms and conditions of this Plan Sponsor Agreement.</p>
	<p>Signature of Plan Sponsor Authorized Representative</p> <p>I, the undersigned Authorized Representative of Plan Sponsor, declare that I have legal authority to sign and bind the Plan Sponsor to the terms of this Plan Sponsor Agreement, and I have or will provide evidence of such authority. I declare that I have examined this Plan Sponsor Application and Plan Sponsor Agreement. My signature legally and financially binds the Plan Sponsor to the statutes, regulations, and other guidance applicable to the Early Retiree Reinsurance Program including, but not limited to Section 1102 of the Patient Protection Act (P.L. 111-148) and 45 C.F.R. Part 149 and applicable provisions of 45 C.F.R. Part 30 and all other applicable statutes and</p>

	<p>regulations. I certify that the information contained in this Plan Sponsor Application and Plan Sponsor Agreement is true, accurate and complete to the best of my knowledge and belief, and I authorize the Secretary to verify this information. I understand that, because program reimbursement will be made from Federal funds, any false statements, documents, or concealment of a material fact is subject to prosecution under applicable Federal and/or State law.</p> <p>Signature</p>
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Attachment: Additional Benefit Options

(Complete this form for each unique benefit option)

1a) *Benefit Option Name: _____

1b) *Unique Benefit Option Identifier: _____

1c) *Benefit Option Type: Self-Funded _____ Insured _____ Both _____

1d) *Benefit Administrator Company Name: _____

Early Retiree Reinsurance Program Frequently Asked Questions

APPLICATIONS

1. **Are applications being accepted on a first-come, first-serve basis?**

ANSWER: Applications will be processed in the order in which they are received.

2. **Is there a pre-determined number of applications that HHS is planning to accept?**

ANSWER No. there is no predetermined number of applications that HHS will accept. HHS does have the authority to stop reinsurance payments or accepting applications but only if it appears that the \$5 billion in Federal funding is insufficient, as program reimbursements are being paid out.

3. **The Early Retiree Reinsurance Program application must be signed by an authorized representative. The regulation at 45 C.F.R. 149.2 defines authorized representative as an individual with legal authority to sign and bind a sponsor to the terms of a contract or agreement. What are some examples of individuals who typically have such legal authority?**

ANSWER: Common examples of individuals who typically have the requisite authority to serve as the Early Retiree Reinsurance Program authorized representative for a sponsor include the sponsor's Chief Executive Officer (CEO), Chief Financial Officer (CFO), President, Human Resources (HR) Director, and General Partner. For plan sponsors that are unions, a member of the union fund's board of trustees typically would have the requisite authority. Please note that this list is not exhaustive.

4. **Where should I send the application for the Early Retiree Reinsurance Program once it is completed?**

ANSWER: The U.S. Department of Health & Human Services wanted to publish a copy of the application as soon as possible to assist potential applicants in better understanding how to prepare an application, and to give applicants time to assemble information required in the application. As such, the Draft Application is available now. The Official Application will be posted later in June with the only anticipated change being the addition of an address where the Official Application can be sent. Information about how and where to send completed applications, and when sponsors can begin submitting applications, will also be posted on this webpage later in June. We encourage interested parties to regularly monitor this webpage for this and other program information.

CLAIMS SUBMISSIONS AND REIMBURSEMENT REQUESTS

5. **When can sponsors begin submitting claims data and reimbursement requests to the U.S. Department of Health & Human Services for the Early Retiree Reinsurance Program?**

ANSWER: The U.S. Department of Health and Human Services is currently developing the infrastructure needed to accept claims data and reimbursement requests. HHS will announce instructions detailing the manner and timing for submitting this information in the near future. A sponsor will then be able to submit claims data and reimbursement requests. We encourage interested parties to regularly monitor this webpage for this and other program information.

- 6. The Early Retiree Reinsurance Program regulation at 45 C.F.R. 149.310 states that, for employment-based plans for which a provider in the normal course of business does not produce a claim, such as a staff-model health maintenance organization, the information required in a claim must be produced and provided to the Secretary, as set out in the regulation and applicable guidance. Does this principle also apply in the context of self-funded plans?**

ANSWER: Yes. For example, a self-funded plan might pay a capitation rate to all or some providers in its provider network. To the extent the sponsor wishes to receive reimbursement for items and services furnished by such providers, the information required in a claim must be produced and provided to the Secretary, as set out in the regulation and applicable guidance.

REPORTING DATA INACCURACIES

- 7. When and how must sponsors disclose the amount of post-point of sale negotiated price concessions that were received but not accounted for in their submitted claims data and reimbursement requests (as required by 45 C.F.R. 149.110), and report other data inaccuracies (as required by 45 C.F.R. 149.600)?**

ANSWER: The U.S. Department of Health & Human Services will announce the manner and timing of making such disclosures on this webpage. We encourage interested parties to regularly monitor this webpage for this and other program information.

FRAUD AND ABUSE POLICIES AND PROCEDURES

- 8. Do the policies and procedures that a sponsor must have in place to detect and reduce fraud, waste, and abuse have to specifically reference, or be specifically designed for, the Early Retiree Reinsurance Program?**

ANSWER: No. However, the policies and procedures must have the ability to effectively detect and reduce fraud, waste, and abuse related to the Early Retiree Reinsurance Program. Sponsors will be required to attest, in their program applications, that they have such policies and procedures.

MISCELLANEOUS

- 9. If a sponsor has an approved application for the Early Retiree Reinsurance Program, and subsequently decides not to request reimbursement, or stops requesting reimbursement at some point while possessing an approved application, must it notify the U.S. Department of Health & Human Services that it will not, or will no longer, be requesting reimbursement?**

ANSWER: No. However, the fact that a sponsor will not be requesting reimbursement does not relieve it of any obligations it has under the program, such as maintaining and furnishing records pursuant to 45 C.F.R. 149.350, or reporting data inaccuracies pursuant to 45 C.F.R. 149.600. Because funding for the program is limited, we encourage sponsors to tell us that they will not be requesting reimbursement so that we will not rely upon the sponsor's reimbursement projections that it submitted with its application.