

Transitional Reinsurance Assessment Fee

What is the ACA Reinsurance Assessment Fee?

As you may be aware, under the Affordable Care Act, group health plans must pay an annual fee to fund the Transitional Reinsurance Program ("Program"), designed to help stabilize premiums in the individual health insurance market.

Based on HHS's estimates of enrollees in contributing plans, the annual per capita contribution rate for 2015 will be \$44 — \$3.67 per month per covered life..

What Covered Lives are Subject to the Fee?

A covered person includes all individuals covered by the self-funded plan (including an employee, a spouse a dependent, a COBRA member and a retiree). However, if a covered person has both Medicare coverage and employer group health coverage, the covered person would be subject to the reinsurance fee only if the group health coverage were primary to the Medicare coverage.

What is the due date?

Each group health plan must submit an annual enrollment count of the plan's average number of covered lives to HHS by November 15 of each year. Within 30 days of the enrollment count submission, or by December 15 of each year, whichever is later, HHS will notify the plan of the reinsurance contribution amount due for the applicable plan year. The reinsurance contribution amount must then be remitted to HHS within 30 days after the date of notification.

How do I pay the fee for my group?

For self-funded plans, the plan itself is 100% responsible for the fee.

As a value added service to you, Allied will calculate your average number of covered lives using one of the counting methods prescribed under the Program and report this annual enrollment count to HHS. Allied will then invoice you for the total Reinsurance Fee amount due and remit to HHS on behalf of your group.

The annual administrative fee for this service is \$275.

What are the next steps?

Complete the section below and return with your Assurant Self-Funded program paperwork.

Yes, I want Allied to complete the administrative service for the Transitional Reinsurance Fee Program.

If yes and your group was previously covered under another self-funded program, please provide us with the number of individuals covered on the first day of each applicable quarter below.

1st quarter of 2015 ____ 2nd quarter of 2015 ____ 3rd quarter of 2015 ____

Please check here if your group was previously covered under a fully insured arrangement or did not offer coverage to your employees prior to your Assurant Self-Funded plan with Allied.

If yes, I understand that I will not be reimbursed for the \$275 administrative fee in the event our group's coverage under our self-funded plan is terminated for any reason, including our decision to discontinue our group's participation in the Assurant Self Funded Program. I also understand that I will continue to have access to Allied's web portal census query tool in the event our group coverage is terminated.

No, I do not want Allied to complete the administrative service of calculating, reporting, collecting, and remitting the Transitional Reinsurance Fee. By opting-out, I understand my responsibility to comply with the federal regulations associated with the Transitional Reinsurance Fee to calculate, report, and remit the Transitional Reinsurance Fee by the due dates communicated by the federal government in accordance with procedures and processes established by the federal government. I understand that I can continue to access the existing census report found on www.assurantselffunded.com to assist in determining enrollment counts.

Group Name: _____

Date: _____

Print Name: _____

Signature: _____

If you have any questions, please do not hesitate to contact your Agent or any member of the Allied Account Management Team.