



HEALTH CARE REFORM UPDATE

FRIDAY, MAY 7, 2010

DEPARTMENT OF HEALTH & HUMAN SERVICES ISSUES INTERIM RULES FOR PPACA EARLY RETIREE PROGRAM

On Monday, May 3, 2010 the United States Department of Health & Human Services (HHS) issued interim final regulations (IFR) for the Patient Protection and Affordable Care Act (PPACA) Early Retiree Reinsurance Program (ERRP). As you may know by now, the purpose of the program is to make health benefits more affordable for plan participants and sponsors. Congress has appropriated \$5 billion in funding for the ERRP, which is set to begin no later than June 21, 2010, and end when either the funding is gone or on January 1, 2014, whichever comes first.

As you read through, please keep in mind that certain matters will require additional guidance from the HHS, including details on how HHS will monitor the plans' use of reimbursements and the process for revising reimbursement amounts due to post-claim changes.

Also, the application forms were not included as part of the HHS announcement, although the agency expects to release those forms between now and June 1st. We'll keep you posted as more information about them becomes available.

In the meantime, we have worked with our legal partners from the Washington, DC-based firm Steptoe & Johnson to analyze these interim rules and prepared a memo that will provide you with an overview of the program requirements, including:

- A general framework for operation of the program
- Program eligibility requirements
- Reimbursable costs
- Processes for filing program applications and claims
- Reimbursement process
- Permissible uses of the reimbursement proceeds
- Recordkeeping requirements

To view the memo provided by our partners please visit:

<http://www.trion.com/healthreform/documents/2010.05.05.PPACA.ERRP.Memo.pdf>

If you would like to view the interim rules in their entirety, please visit:

<http://edocket.access.gpo.gov/2010/pdf/2010-10658.pdf>

Finally, as always, we invite you to review past issues of our *Health Care Reform Update* and frequently asked questions at <http://www.trion.com/healthreform>. And encourage you to continue sharing your questions, comments, and suggestions for what you'd like us to include in these updates by emailing us at health.reform@trion.com or calling **610.945.1198**