



Health Care Reform Update

Certain Employers May Receive Marketplace Notices

Health Insurance Marketplaces are now sending [letters](#) to notify certain employers that one of more of their employees has been determined eligible for advance premium tax credits and cost-sharing reductions and has enrolled in a Marketplace plan. Because these events may trigger employer

penalties under the Affordable Care Act's "pay or play" provisions, employers may [seek to appeal](#) an employee's eligibility

determination.

Employer Appeals Process

Marketplaces must notify employers **within a reasonable timeframe following any month of the employee's eligibility determination and enrollment**. Employers have **90 days** from the date stated on the Marketplace notice to file an appeal. In the appeal, the employer may assert that it provides its employee access to affordable, minimum value employer-sponsored coverage or that its employee is enrolled in employer coverage, and therefore that the employee is ineligible for advance payments of the premium tax credit or cost-sharing reductions.

An appeal will not determine if the employer is subject to a "pay or play" penalty, as only the IRS, not the Marketplace or the Marketplace Appeals Center, can make such determinations.

The [Pay or Play](#) section of your HR library features step-by-step guidance, worksheets, and calculators that can help employers understand if they will be subject to a penalty and how to calculate it.

Compliance Alerts provided by:

Poms & Associates Insurance Brokers, Inc. 5700 Canoga Ave., Suite 400, Woodland Hills, CA 91367

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