



LISI CARRIERS' ACA TAXES & FEES OVERVIEW

	HEALTH INSURANCE PROVIDERS FEE (HIF)	PATIENT-CENTERED OUTCOMES RESEARCH INSTITUTE FEE (PCORI) ¹	TRANSITIONAL REINSURANCE FEE (RC)
	2014 FORWARD	SEPTEMBER 2012–OCTOBER 2019	2014–2016
Purpose	To help fund federal and state Exchanges.	To fund research that evaluates and compares health outcomes, clinical effectiveness, risks and benefits of medical treatments and services.	To help offset the costs of high-risk individuals in the individual market.
Applies To ²	Fully Insured plans <i>(includes standalone dental and vision plans)</i>	Fully Insured & Self Funded plans <i>(excludes standalone dental and vision plans)</i>	Fully Insured & Self Funded plans <i>(excludes standalone dental and vision plans)</i>
Who Pays	Insurers Fee Waived for 2017 calendar year.	Fully Insured plans: Insurers Self Funded plans: Employers <i>(Insurers are not allowed to pay the fee on the employers behalf)</i>	Fully Insured plans: Insurers Self Funded plans: Employers <i>(Insurers/TPA may pay the fee on the employers behalf)</i>
Tax Implications	Tax deductible.	Tax deductible.	Tax deductible.
Fee	The amount is determined by the market share of the health insurance issuer. The total annual amount of the Industry Fee starts at \$8 billion in 2014, and increases to \$14.3 billion in 2018. Beyond 2018, the total annual fee amount will increase in direct proportion to the growth in health insurance premiums.	The amount of the fee is equal to the average number of lives covered during the policy/plan year multiplied by the applicable dollar amount for the year. Policy/plan years ending after September 30, 2016, and before October 2017 : \$2.26. Policy/plan years beginning October 2017 and before October 2019, the applicable dollar amount is further adjusted to reflect inflation in National Health Expenditures, as determined by the Secretary of Health and Human Services.	The health reform law specifies the total amount of the fee that must be collected totaling \$25 billion. <ul style="list-style-type: none"> • \$12 billion in 2014 • \$8 billion in 2015 • \$5 billion in 2016 The RC fee is approximately \$5 per member per month for the first year. States may set higher contribution rates in order to collect further funding for high-risk individuals in that state. This would be in addition to the federal assessment.
Fee Due Date	No later than September 30th of the following calendar year.	No later than July 31st of the calendar year immediately following the last day of the plan year. <i>Example: The 2016 fee must be paid by July 31, 2017.</i>	The RC fee is effective January 1, 2014 with the first payment due January 15th of the next year. <i>Example: The 2016 fee must be paid by Jan 15, 2017.</i>

¹ Also referred to as the Comparative Effectiveness Research Fee (CERF).

² Visit the [IRS website](#) for additional information.



FULLY INSURED GROUPS		
<i>(Applies to Health Insurance Providers, Patient-Centered Outcomes Research Institute, and Transitional Reinsurance Fees*)</i>		
	FEE COLLECTION	NOTES
Aetna	Fees included in group premium.	-
Ameritas Group	Fees included in group premium.	-
Anthem Blue Cross	Fees included in group premium.	-
Blue Shield	Fees included in group premium.	Taxes & Fees are excluded from broker commission.
CalCPA	Fees included in group premium.	-
CaliforniaChoice®	Fees included in group premium.	-
California Dental Network (CDN)	N/A	No plans to collect and but may re-evaluate their decision at a later date.
Chinese Community Health Plan	Fees included in group premium.	-
Cigna	Fees included in group premium.	-
CoPower	Fees included in group premium.	-
Covered CA SHOP	Fees included in group premium.	-
Health Net <i>(Small Group)</i>	Fees included in group premium.	Taxes & Fees are excluded from broker commission.
Health Net <i>(Large Group, HIF & RC)</i>	Fees included in group premium.	Taxes & Fees are excluded from broker commission.
Kaiser Permanente	Fees included in group premium.	-
MediExcel	Fees included in group premium.	-
MetLife	N/A	No plans to collect and but may re-evaluate their decision at a later date.
Premier Access	Fee will be absorbed by Premier Access. Groups will not be charged for the fee.	Applies to new and existing business.
Principal	Fees included in group premium.	-
Reliance Standard	N/A	No plans to collect.
Sharp Health Plan	Fees included in group premium.	-
Sutter Health Plus	Fees included in group premium.	-
TriNet PEO	Fees included in group premium.	-
UnitedHealthcare <i>(2-99)</i>	Fees included in group premium.	-
UnitedHealthcare <i>(Large Group 100+)</i>	Fees listed as a separate line item on the group bill.	-

* Standalone dental and vision plans are only subject to the Health Insurance Providers fee.



SELF INSURED GROUPS		
	PATIENT-CENTERED OUTCOMES RESEARCH INSTITUTE FEE (PCORI)	TRANSITIONAL REINSURANCE FEE (RC)
Aetna	Employers are responsible for determining their fee responsibility. Employers must file Form 720 and pay the fee directly to the IRS.	Employers are responsible for determining their fee responsibility. Employers may submit payment themselves or have a third-party administrator transfer funds on their behalf. If Aetna is the groups TPA, they can collect fees on the groups behalf. Beginning January 1, 2014, Aetna intends to collect the contribution amount through a claim wire billing process and remit payments annually.
Anthem Blue Cross	Employers are responsible for determining their fee responsibility. Employers must file Form 720 and pay the fee directly to the IRS.	Employers are responsible for determining their fee responsibility. Employers may submit payment themselves or have a third-party administrator transfer funds on their behalf. If Anthem is the groups TPA, they will collect fees on the groups behalf. These will be added to the plans administrative fees.
Cigna	Employers are responsible for determining their fee responsibility. Employers must file Form 720 and pay the fee directly to the IRS. Upon request, at no additional cost, Cigna will provide reporting to help employers determine average covered lives.	Employers are responsible for determining their fee responsibility. Employers may submit payment themselves or have a third-party administrator transfer funds on their behalf.
Health Net	Employers are responsible for determining their fee responsibility. Employers must file Form 720 and pay the fee directly to the IRS.	Employers are responsible for determining their fee responsibility. Employers may submit payment themselves or have a third-party administrator transfer funds on their behalf. If Anthem is the groups TPA, they will collect fees on the groups behalf. These will be added to the plans administrative fees.
UnitedHealthcare	Employers are responsible for determining their fee responsibility. Employers must file Form 720 and pay the fee directly to the IRS.	Employers are responsible for determining their fee responsibility. Employers may submit payment themselves or have a third-party administrator transfer funds on their behalf. UnitedHealthcare is reviewing the recent guidance to determine what steps they might take to assist their customers in meeting this obligation.

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