

**TO:** Board Members, Connect for Health Colorado

**FROM:** Rules and Regulations Review Committee Members and Connect for Health Colorado Staff

**DATE:** August 12, 2013

**RE:** **Comments on Notice of Proposed Rulemaking on Information Reporting for Affordable Insurance Exchanges**

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Background

The IRS recently released a Notice of Proposed Rule Making (NPRM) on reporting requirements by Exchanges. The NPRM would require Marketplaces to report Advanced Premium Tax Credit (APTC) data on both a monthly and annual basis to the IRS.

In addition, Connect for Health Colorado has had informal discussions with the IRS on when to start reporting. The IRS has indicated that the initial monthly reporting should begin on the 15<sup>th</sup> of the month 60 days after the open enrollment period ends. For plan years 2015 and beyond, this would be January 15<sup>th</sup> of the plan year. For plan year 2014, this would be June 15<sup>th</sup> since the open enrollment period extends to March 31, 2014

Connect for Health Colorado has reviewed the regulation and initial detailed documentation of the reporting requirements. Based on these reviews, Connect for Health believes that all of the data requested by IRS will be collected. However, Connect for Health Colorado is not a source of record for some of this data. In particular, Connect for Health Colorado is not a source or record for employment or for some the specific plan data such as policy number.

Guiding Principles

- Connect for Health Colorado should seek to minimize overall costs in the health care system
- Connect for Health Colorado should seek to collect the minimum information necessary for operations

Recommendation

Connect for Health Colorado's Rules and Regulations Review Board Committee recommends providing the following comments on the NPRM:

- Asking that the first submission date from state based marketplaces be at least 60 days after the end of the open enrollment period.
- Asking that health plan and employment data be excluded from the reporting.
- Asking for further clarity on processing and reporting of exemptions from the tax penalty