

06/26/13 - HHS releases final rule on eligibility and minimum essential coverage

To ensure success of insurance market reform, the Affordable Care Act (ACA) promulgates that nonexempt individuals must maintain minimum essential coverage or be subject to the shared responsibility payment. Exempted individuals, such as those with recognized religious conflicts, must receive a certification of exemption from the Exchange to be relieved of the shared responsibility payment. Today, the US Department of Health and Human Services (HHS) released a final rule implementing important components of the ACA concerning this idea. Several of the statutory functions addressed in the rule include:

- **Eligibility determination and granting of certificates of exemption.** This rule implements provisions of the ACA associated with eligibility determination, while still leaving states ample discretion in creating their Exchanges. The rule standardizes tenets of eligibility determination that are explicitly stated in the law and are necessary for efficiency and consumer protection. The rule also states that individuals that would be eligible for Medicaid had their state chosen to expand will not be subject to the individual mandate penalty.
- **Designation of benefits as minimal essential coverage.** This rule provides guidance for determining whether certain types of coverage, particular those not explicitly defined in the statute, can be considered minimum essential coverage. If these other types of coverage are certified as compliant with Title I of the ACA, then consumers possessing this coverage will be considered to have met the minimum essential coverage requirements.
- **Premium tax credit eligibility and shared responsibility exemption.** Guidance released by the Internal Revenue Service (IRS) expanded upon eligibility criteria for minimum essential coverage of individuals on government-sponsored health programs, student health programs, or state high risk pools. Additional IRS guidance purports that an individual may be relieved of shared responsibility payments if he or she is transitioning to an employer-sponsored plan during a non-calendar year.