

## Cross-Border Health Care Coverage ACA Compliance Checklist

MediExcel Health Plan (MEHP) focuses on maintaining compliance with all applicable State and Federal Affordable Care Act (ACA) laws and regulations. We understand there may be some market confusion regarding ACA compliance for cross-border health coverage programs. We aim to differentiate MEHP from other competitive options. This document wishes to educate licensed professionals on compliance areas that minimize potential employer and broker liability in regard to cross-border health coverage. This information and the associated links are believed to be correct as of January 21, 2016.

✓ State Licensure. MEHP is licensed as a full-service health plan #933-0486 by the California Department of Managed Care (DMHC). [www.dmhc.ca.gov](http://www.dmhc.ca.gov). <http://wpso.dmhc.ca.gov/hpsearch/viewLicensedHealthPlan.aspx>. DMHC gave final approval of MEHP's 2016 small group plans on 12/30/2015 & large group plans on 1/4/2016. Copy of regulatory approval documentation shown on request.

✓ Minimum Essential Coverage (MEC) and Minimum Value (MV). All MEHP 2016 large & small group health coverage plans provide MEC & MV. Please see MEHP Federal SBC Forms <http://www.mediexcel.com/#!/ourplans/c1ktm> which state MEC and MV for each MEHP Plan. Additionally, see outside legal opinion letter <http://www.mediexcel.com/#!/brokers/csvl> confirming MEHP 2016 products have MEC and MV.

✓ MEHP Rates include ACA Taxes. The premium rate structure for MEHP large group and small group health coverage plans have been developed with the integration of all mandatory ACA Taxes and Fees (PCORI, Transitional Reinsurance, Health Insurance Provider Fee, and Risk Adjustment Fee). Based on legal opinion (see outside legal opinion letter <http://www.mediexcel.com/#!/brokers/csvl>), cross-border health coverage is not automatically exempted under federal law from collection of mandatory ACA Taxes and Fees.

✓ Registration with Federal IRS for the Reporting of ACA Taxes and Fees. Like all CA HMOs, MEHP is considered a covered entity under ACA laws and is required to report its net premiums to the IRS for purposes of the ACA Health Insurance Provider Fee. The IRS provides a national listing of all Insurance Providers who have submitted their required filing to the IRS. The list can be viewed at: <https://www.irs.gov/pub/irs-uti/Form8963FinalFeeYear2015.xlsx>. MEHP is the dba of Medi-Excel, SA de CV which is found on the IRS listing at row number 809.

✓ Registration with Federal HHS. ACA requires all non-exchange health plan entities selling health coverage in the small group market to be registered in the Federal HHS Health Insurance Oversight System (HIOS) for all required benefits, rates, enrollment, and utilization reporting. MEHP is registered with HHS HIOS under 18971. To confirm, go to Federal CMS website <https://www.cms.gov/>. Do a search on "Medi-Excel" in quotes on the CMS search function.

✓ Registration with National Association of Insurance Commissioners (NAIC). Some Errors and Omission (E&O) Liability Policies may require the insurer to be registered with NAIC ([www.naic.org](http://www.naic.org)) MEHP is registered with NAIC and its NAIC Number is 15347. MEHP appears on NAIC Company listing on Page 39 at: [http://www.naic.org/documents/prod\\_serv\\_accounting\\_reporting\\_loc\\_zu.pdf](http://www.naic.org/documents/prod_serv_accounting_reporting_loc_zu.pdf)

✓ MEHP is Not Expatriate Health Coverage. ACA expatriate health coverage status has caused market confusion given the conflicting interpretative declarations by cross-border health plans. ACA regulations specify the expatriate coverage classification for US firms with employees working outside the US for more than 180 days as well as other stringent criteria. The advantage of expatriate health coverage status is that the insurer may not need to pay certain ACA taxes. However, there may be potential employer liability if an employer group selects an expatriate health coverage plan for its enrollees that are not qualified expatriate status under federal law, as required ACA taxes are not paid to the IRS (See legal opinion letter <http://www.mediexcel.com/#!/brokers/csvl>). State licensure as a cross-border plan does not automatically qualify the plan for federal expatriate health coverage status. The expatriate classification declaration can easily be found in all cross-border health plan's Actuarial Memorandum in their latest proposed premium rate filing with the DMHC at <http://wpso.dmhc.ca.gov/ratereview/>. MEHP does not qualify as expatriate health coverage. MEHP is registered with all applicable federal agencies (IRS, HHS, etc.) to pay required ACA Taxes and Fees.

