

## [Health Care Reform Update: Applications for Early Retirement Reinsurance Funds Now Being Accepted](#)

June 29, 2010 by [Adam Santucci](#)

*This post was contributed by [Eric N. Athey, Esq.](#), a Member in McNees Wallace & Nurick LLC's Labor and Employment Law Practice Group.*

As part of the Patient Protection and Affordable Care Act, Congress established a \$5 billion pool to serve as a temporary reinsurance program for employer health plans (insured and self-funded) that provide coverage for eligible early retirees between the ages of 55 and 64. The program is intended to reimburse plan sponsors for 80% of the cost of an eligible enrollee's benefits between \$15,000 and \$90,000. This program will cease upon the earlier of 2014 or depletion of the \$5 billion reinsurance pool. Payments are on a first come, first served basis and some believe that the reinsurance pool could be depleted in a matter of days.

As discussed in our [June 6, 2010 blog post](#), the [Department of Health and Human Services \("HHS"\)](#) issued [interim final regulations \(pdf\)](#) on May 5, 2010, which set forth the eligibility requirements a plan must meet in order to participate in the program. However, those regulations did not include a final application that plans could use for purpose of applying for the funds.

On June 29, 2010, HHS issued a [final application](#) for this purpose and announced that applications are now being accepted. To view the application and related materials, including "Do's and Don'ts" for submitting the application, [click here](#).

**Since funds are awarded to plans on a first come, first served basis, interested plans should complete and submit the application as soon as possible.**

For additional information regarding health care reform, please [click here](#) to view the McNees Whitepaper regarding What Employers Need to Know about Health Care Reform. In addition, we will post additional articles on this blog as other regulations are issued.

© 2010 McNees Wallace & Nurick LLC

*This document is presented with the understanding that the publisher does not render specific legal, accounting or other professional service to the reader. Due to the rapidly changing nature of the law, information contained in this publication may become outdated. Anyone using this material must always research original sources of authority and update this information to ensure accuracy and applicability to specific legal matters. In no event will the authors, the reviewers or the publisher be liable for any damage, whether direct, indirect or consequential, claimed to result from the use of this material.*