

- In March, CMS issued an interim rule (which has the force of law) that lists 3 entities that insurance companies MUST accept premium assistance from:
 1. Ryan White HIV/AIDS Program
 2. Indian tribes and tribal organizations
 3. Federal and State entities
- In the interim final rule, there was also the following language: *Our new standard does not prevent QHPs and SADPs from having contractual prohibitions on accepting payments and cost sharing from third party payers other than those specified in this interim final regulation.*
- This statement is being interpreted by plans as allowing them to institute a policy to not accept third party premium assistance from nonprofits. DHHS has said that they wish to discourage the acceptance of 3rd party payments from for-profit hospitals but their vague language and error in NOT including nonprofits as entities that companies must accept payments from has left insurance companies a wide open window to deny assistance for those that need it most.
- Plans have cited “plan management” as their excuse in instituting this policy. The majority of patients that need premium assistance are those with chronic and expensive diseases. By refusing to allow these payments, they are essentially able to weed patients that need the most help – those with expensive diseases who may be unable to afford their medication from their risk pool. The practice started with a plan in Louisiana and now plans in 22 states are denying assistance payments.
- Plans have encouraged nonprofits to steer patients to other plans (this is illegal for many of them) or to issue payments directly to patients. The problem with the second solution is two-fold. 1) any direct payments made to patients can be construed as income by the IRS and 2) the reputation and internal audit capabilities of the nonprofit are placed in serious jeopardy if a patient does not use the payment for their premium or copay.

Timeline of Events:

November 4, 2013	CMS issues a Frequently Asked Questions (FAQ) that states that they discourage insurance companies from accepting third party payments from hospitals and other health care providers.
February 7, 2014	CMS issues a FAQ that states that the November 4 FAQ – and the concerns it raises – does NOT apply to private, nonprofit charities.
March 19, 2014	CMS issues an interim rule (that has the force of law) that lists 3 entities that insurance companies MUST accept premium and copay assistance from (Ryan White/HIV programs, Indian tribes and other Indian Tribal organizations, State and Federal programs). The rule also says: <i>Our new standard does not prevent QHPs and SADPs from having contractual prohibitions on accepting payments and cost sharing from third party payers other than those specified in this interim final regulation. The comment period on the rule is open until May 13.</i>
April 2014	BCBS in Louisiana issues a memo to patients telling them that as of April 1, they will no longer accept premium assistance payments from nonprofit organizations, citing the interim rule.
May 2014	HFA organizes member organizations to comment on the negative affect this will have on patients with chronic and expensive diseases. Via an Action Alert, 115 individual patients also comment on the rule.
May 29, 2014	The BCBS Excellus plan in upstate New York implements the same policy and says in their newsletter, the “federal government discourages health plans from accepting premium payments from health care providers and other third-party payers.”
June 2014	The comment period has ended. CMS states that they do not intend to change the rule and that they still discourage payments from for-profit hospitals. they refer to the February 7 FAQ as clarification of their stance on non-profit entities; ignore effect of March 19 rule.
June 2014	Plans in 22 states have begun to deny premium assistance payments.
October 9, 2015	Representative Kevin K. Cramer introduced the Access to Marketplace Insurance Act, HR 3742 which adds nonprofits to the list of entities insurance companies must accept premium assistance payments from.