

An employer's appeal

Documents that employers and employees may submit

Certain employers with more than 50 full-time equivalent employees must offer affordable health coverage to these employees (and their dependents) that meets the “minimum value standard,” or owe a fee called the Employer Shared Responsibility Payment. Employers that get a notice from the Marketplace stating that they may be subject to the fee can file an appeal if they offered coverage that was both affordable and met the minimum value standard.

Employers who choose to appeal (appellants) can submit documents to support their appeal. Employees can also submit documents; for example, to confirm information that they provided in an application for Marketplace coverage. Submitted documents will be used to support whether an employer offered affordable coverage that meets the minimum value standard for a coverage year, for a specific employee.

Depending on the type of information you need to provide, you can submit more than one document. If you have a document that's missing a certain detail, you can submit it together with another document that allows you to provide more complete information. Or, a single document may be submitted to confirm 2 types of information. For example, the employee's pay stub may include enough detail to confirm both the amount of income they earned and also the cost of coverage. These example lists are for reference only. You may choose to send other types of documents that contain the required information.

Documents an employer may submit

To prove that you offered employer-sponsored coverage to the employee

An employer can send documentation confirming that employer-sponsored coverage was offered to the employee. Documents must confirm that it was offered both when the employee submitted their Marketplace application, and also during each month they were determined eligible for advance payments of the premium tax credit and (if applicable) cost-sharing reductions.

Example	To prove an offer of coverage, this type of document must be dated, and include the employer's name and the employee's full name. It must also:
Form or letter confirming the employee's election of benefits	<ul style="list-style-type: none">• Indicate that the employer offered or provides employer-sponsored coverage• Confirm that the employee waived or accepted this coverage• State the coverage period and any waiting periods, if applicable• Appear on the employer's letterhead and addressed to the employee• Indicate that it was sent to the employee's company email address, from the employer's corporate email address (if you're sending an email copy)
Form or notice declaring that the employer waived their employer-sponsored coverage	<ul style="list-style-type: none">• Indicate that the employer offered or provides employer-sponsored coverage• Confirm that the employee waived this coverage• State the coverage period and any waiting periods, if applicable• Include the employee's manual or electronic signature, and date of signature

Example	To prove an offer of coverage, this type of document must be dated, and include the employer's name and the employee's full name. It must also:
Employee's Benefits Summary Chart (don't send a "Summary of benefits and coverage sheet" to prove an offer of coverage)	<ul style="list-style-type: none"> • Confirm that the employee waived or accepted employer-sponsored coverage • State the coverage period and any waiting periods, if applicable • Appear on the employer's letterhead or printout out from its internal system, and showing the employer's name or logo.
Health insurance company letter confirming the employee's enrollment	<ul style="list-style-type: none"> • Confirm that the employee accepted and is enrolled in a plan offered by the employer • State the coverage period and when it ended or will end; and any waiting periods, if applicable • Include the insurance company's contact information • Appear on the health insurance company's letterhead or printout from its internal system, and showing the insurance company's name or logo.

To prove that the coverage was affordable for your employee: Confirm the amount of income they earned

An employer can send documentation confirming the employee's job-based income. This information is needed to determine if the employer-sponsored coverage is affordable for the employee. See the following page for additional information you can submit.

Example	To prove the amount of income, this type of document must include the employer's name. It must also:
Copy of employee's pay stubs	<ul style="list-style-type: none"> • Include the employee's full name • Show the employee's gross income for a specific pay period • Show the employee's net income for the same pay period • Include the pay period date(s) • Include the year-to-date income amount (optional)
Copy of the employer's payroll ledger or worksheet	<ul style="list-style-type: none"> • Include the employee's full name • Show the employee's gross income for a specific pay period • Show the employee's net income for the same pay period • Include the pay period date(s) • Show how often the employee gets this pay, like weekly, bi-weekly, or snotner frequency • Appear on the employer's letterhead or printout out from its internal system, and showing the employer's name or logo. • Include the year-to-date amount (optional)
Copy of the employee's W-2 form for the previous year	<ul style="list-style-type: none"> • Include the employee's full name • Show the employer's identification number • Show the employee's Social Security Number (SSN) • Show the employee's wages for the tax year

To prove that the coverage was affordable for your employee: Confirm the cost of coverage

An employer can send documentation to confirm that the annual premium amount an employee would pay or is paying for **the lowest cost self-only plan isn't more than 9.69% (2017)* of the employee's projected household income** for the coverage year.

Example	To prove the cost of coverage, this type of document must include the employer's name. It must also:
Rate sheet for coverage offered to the employee	<ul style="list-style-type: none"> • State the coverage period • Include the name of both the lowest cost self-only plan, and the health insurance company offering that plan • Include the premium amount the employee would pay for the lowest cost self-only plan • Indicate how often the employee must pay this amount, like weekly, bi-weekly, or another frequency • Appear on the employer's or health insurance company's letterhead
Summary of Benefits and Coverage sheet (SBC)	<ul style="list-style-type: none"> • State the coverage period • Include the name of both the lowest cost self-only plan, and the health insurance company offering that plan • Include the premium amount the employee would pay for the lowest cost self-only plan • Show how often the employee must pay this amount, like weekly, bi-weekly, or another frequency
Copy of employee's pay stub showing a deduction for the health insurance premium.	<ul style="list-style-type: none"> • Include the employee's full name • Show the premium amount that's deducted in a specific pay period • Include the pay period date • Appear on the employer's letterhead or printout out from its internal system, and showing the employer's name or logo.

***IMPORTANT:** The affordability threshold may vary each year due to inflation. Visit IRS.gov to get information about employer-sponsored coverage affordability for the year associated with the appeal.

To prove that the employer-sponsored coverage met the minimum value standard

An employer can send documentation to confirm that the employer-sponsored coverage was designed to pay at least 60 percent of the total cost of medical services for a standard population. Either submit documentation that proves this information, or submit information that the Marketplace Appeals Center can use to calculate if this coverage meet the minimum value standard.

Example	To prove that coverage met the minimum value standard, this type of document must:
Summary of Benefits and Coverage sheet (SBC)	<ul style="list-style-type: none"> • Include the employer's name • State the coverage period • Include the name of both the lowest cost self-only plan, and the health insurance company offering that coverage • Statement that this plan's coverage meets the minimum value standard. This is generally included at the end of the SBC.

Employers may also send a **“report of minimum value certification”** to prove this information. It must include:

- The basis for choosing to send this certification, and a description of the process that was used to develop the minimum value.
- A certification that the employer-sponsored coverage meets the 60 percent threshold for the minimum value determination for the plan year associated with the appeal.
- A statement that the certification was prepared by an American Academy of Actuaries (AAA) accredited actuary who meets the “Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States” (American Academy of Actuaries), and has the education and experience necessary to perform the work.
- A statement that the minimum value was determined based on the plan’s benefits and coverage data, the standard population, utilization, and continuance tables published by HHS/state (or in consultation with the U.S. Department of Treasury) for purposes of the valuation of minimum value. The actuarial analysis is not appropriate for any other purpose. Other data sources used should be specified when applicable.
- A statement of any benefit value that the actuary added to the minimum value.
- A disclosure of the actuary’s relationship to the employer appellant or health insurance company

Documents an employee may submit

To prove that employer-sponsored coverage wasn’t made available to you

An employee can send documentation to confirm that their employer didn’t offer employer-sponsored coverage, or that their employer required a waiting period before the coverage could start.

Example	This type of document must be dated and include a statement that the employer isn’t offering coverage to you, OR that a waiting period is required before the coverage can begin. It must also:
Employment offer letter with information about benefits	<ul style="list-style-type: none"> • Show the employee’s date of hire • Include the employer’s name • Include the employee’s full name • Appear on the employer’s letterhead (if you’re sending a copy of a letter) • Indicate that it was sent to the employee’s company email address, from the employer’s corporate email address (if you’re sending an email copy)
Notice to employee about options for employer-sponsored coverage	<ul style="list-style-type: none"> • Include the employer’s name • Include the employee’s full name • Appear on the employer’s letterhead (if you’re sending a copy of a letter) • Indicate that it was sent to the employee’s company email address, from the employer’s corporate email address (if you’re sending an email copy)

To prove that the coverage wasn't affordable: Confirm the amount of income you earned from your job

An employee can send documentation to confirm their job-based income. If the employee chooses to submit it, this can help to determine if the employer-sponsored coverage is affordable for the employee, and will help the Marketplace Appeal Center to evaluate the employee's eligibility for financial help with the cost of Marketplace plan premiums.

Example	To prove the amount of income, this type of document must include the employer's name and the employee's full name. It must also:
<p>Copy of the employee's pay stubs</p>	<ul style="list-style-type: none"> • Show the employee's gross income for a specific pay period • Show the employee's net income for the same pay period • Include the pay period date(s) • Appear on the employer's letterhead or printout out from its internal system, and showing the employer's name or logo. • Include the year-to-date income amount (optional)
<p>Copy of the employee's W-2 form for the previous year</p>	<ul style="list-style-type: none"> • Show the employer's identification number • Show the employee's Social Security Number (SSN) • Show the employee's wages and any withholding for the tax year

To prove that the coverage wasn't affordable: Confirm the cost of the coverage your employer offered

An employee can send documentation to confirm that the annual premium amount they'd pay for **the lowest cost self only plan is more than 9.69% (2017)* of their projected household income** for the coverage year (for 2017).

Example	To prove the cost of coverage, this type of document must include the employer's name. It must also:
<p>Rate sheet for coverage offered to the employee</p>	<ul style="list-style-type: none"> • State the coverage period • Include the name of both the lowest cost self-only plan, and the health insurance company offering that plan • Include the premium amount the employee would pay for the lowest cost self-only plan • Indicate how often the employee must pay this amount, like weekly, bi-weekly, or another frequency • Appear on the employer's or health insurance company's letterhead
<p>Summary of Benefits and Coverage sheet (SBC)</p>	<ul style="list-style-type: none"> • State the coverage period • Include the name of both the lowest cost self-only plan, and the health insurance company offering that plan • Include the premium amount the employee would pay for the lowest cost self-only plan. If it's not included on your SBC, submit an additional document that displays this information. • Indicate how often the employee must pay this amount, like weekly, bi-weekly, or another frequency

***IMPORTANT:** The affordability threshold may vary each year due to inflation. Visit IRS.gov to get information about employer-sponsored coverage affordability for the year associated with the appeal. 5

Example	To prove the cost of coverage, this type of document must include the employer's name. It must also:
Copy of the employee's pay stub showing a deduction for the health insurance premium deduction	<ul style="list-style-type: none"> • Include the employee's full name • Show the premium amount that's deducted in a specific pay period • Include the pay period date • Appear on the employer's letterhead or printout out from its internal system, and showing the employer's name or logo.

IMPORTANT: The affordability threshold may vary each year due to inflation. Visit IRS.gov to get information about employer-sponsored coverage affordability for the year associated with the appeal.

To prove that your employer's coverage didn't meet the minimum value standard

An employee can send documentation to confirm that the employer-sponsored coverage didn't meet the minimum value standard that applies to job-based health plans. This means that it wasn't designed to pay at least 60 percent of the total cost of medical services for a standard population.

Example	To prove that coverage didn't meet the minimum value standard, this type of document must:
Summary of Benefits and Coverage sheet (SBC)	<ul style="list-style-type: none"> • Include the employer's name • State the coverage period • Include the name of both the lowest cost self-only plan, and the health insurance company offering that coverage • Statement that this plan's coverage meets the minimum value standard. This is generally included at the end of the SBC.

How to submit documents

Write your Appeal Case ID on any document copies you send, and include a copy of this notice. Keep all originals. Mail copies of your documents to:

Marketplace Appeals Center
P.O. Box 311
Pittston, PA 18640

You may also fax your documents to a secure fax line at 1-877-369-0129.

Questions?

Contact the Marketplace Appeals Center at 1-855-231-1751. TTY users should call 1-855-739-2231. Hours of operation are Monday through Friday, 7:30 a.m. to 8:30 p.m. Eastern Time (ET); and Saturday, 10:00 a.m. to 5:30 p.m. ET.

