



Broker Briefing

10/21/2011

New Fee - Patient-Centered Outcomes Research Institute Fee

The Patient Protection and Affordable Care Act now requires another health insurer assessment - the *Comparative Effectiveness Research Fee* - to help fund the newly created Patient-Centered Outcomes Research Institute. The Institute will conduct clinical research to evaluate risks and benefits of medical treatments and drugs, which will help patients, doctors, and policy-makers make informed health care decisions.

The new assessment is based on the number of Members covered under the health plan and will be payable for seven years (2013-2019). In order to pay the assessment, Rocky Mountain Health Plans (RMHP) will begin collecting the assessment from our individual and group Membership beginning in January 2012.

Rocky Mountain will collect 11 cents per Member each month through December 2012. The total amount collected during that time will be the first year assessment.

Beginning January 2013, we will increase the fee collected as necessary to meet the funding requirements. The monthly fee will continue through December 2018. The fee for years three through seven will be increased by the amount of medical inflation.

This new research fee is required for fully-insured issuers and self funded plan sponsors.

RMHP will present the fee collection as a separate line-item on the premium billing statement for employer groups. SOLO Members will have the fee automatically deducted with their automatic bank withdrawal or included in their billing statement, if they pay quarterly, biannually or annually. COBRA and CCOC subscribers will be billed directly by RMHP, similar to how CoverColorado is billed.

We have chosen to make the assessment fee as transparent as possible because this is a government-mandated charge, not a cost over which we have control.

RMHP will be sending announcements via mail to all employer groups and SOLO/Individual subscribers in November explaining this new fee.

As always, if you have any questions, comments or need assistance,
please call your Rocky Mountain Health Plans Executive.

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