



BENEFIT NEWS BRIEFS

CMS Posts Revised Forms For Obtaining SSNs and HICNs for RREs for Section 111 Reporting

IRS Releases Safe Harbor Notices For Participant Distributions

The Centers of Medicare and Medicaid Services (CMS) has recently issued a Revised SSN/HICN form, available by "[clicking here](#)" or from the CMS website at: <http://www.cms.hhs.gov/MandatoryInsRep/Downloads/RevisedHICNSSNForm081809.pdf>. See [Special Bulletin 2009-18](#) and Research Department issues mentioned therein for background information on Section 111 reporting.

In [Benefit News Briefs 2009-40](#), we reported on an *Alert* that CMS issued to help group health plan (GHP) Responsible Reporting Entities (RREs) obtain Social Security Numbers (SSNs) and Health Identification Claim Numbers (HICNs) for Section 111 reporting. CMS provided a form with model questions (including a picture of a Medicare card) to assist RREs in obtaining this information achieve compliance with the Section 111 reporting requirements. An HICN is a Medicare beneficiary number assigned by Social Security to an individual.

According to the *Alert*, subscribers and dependents should routinely cooperate in furnishing either their HICN (or SSN if they do not have a HICN available) as requested by their GHP RRE. If an individual refuses to furnish a HICN or SSN and the GHP RRE chooses to use the attached model language, CMS will consider the RRE compliant for purposes of its next Section 111 file submission if:

- A signed copy of the model language in the format provided is obtained (even if the individual is later discovered to be a Medicare beneficiary).
- With respect to that same individual, the RRE has the model language (with the picture of the Medicare ID card) re-signed and dated at least once every 12 months.
- The RRE retains this documentation.

A copy of the *Alert* is available at the Section 111 website at: <http://www.cms.hhs.gov/MandatoryInsRep/Downloads/ALERTGuidance%20ForHICNsSSns.pdf> or by "[clicking here.](#)"

Last Section 111 Group Health Plan Teleconference September 15

The last Section 111 GHP teleconference is September 15, 2009 from 1:00 – 3:00 PM Eastern Time. Listeners can participate in the teleconference by calling toll free to (800) 779-4354 about 20-30 minutes prior to the start time and using the pass code "SECTION 111." The sessions are open to policy and technical questions.

IRS Releases Notice 2009-68

In a long awaited move, the Internal Revenue Service (IRS) released a Notice containing two safe harbor explanations (one applies to a distribution not from a designated Roth account and the other applies to all other distributions) that may be provided to recipients of eligible rollover distributions from an employer plan in order to satisfy Section 402(f). The Notice is available at: <http://benefitslink.com/IRS/notice2009-68.pdf> or by "[clicking here.](#)"

Since multiemployer plans do not generally contain Roth accounts, the Research Department has made a copy of the non-Roth plans safe harbor explanation in Microsoft Word that is suitable for modification available by "[clicking here.](#)"

A plan administrator or payor may customize a safe harbor explanation by deleting any section with information that does not apply to the plan. *For example,* depending on if it is relevant to the Plan, common sections one could eliminate are the sections on "*If your payment includes aftertax contributions*", "*If your payment includes employer stock that you do not roll over*", "*If your payment is from a governmental section 457(b) plan,*" and "*If you are an eligible retired public safety officer and your pension payment is used to pay for health coverage or qualified long-term care insurance.*"

In addition, the plan administrator or payor may provide additional information with a safe harbor explanation if the information is not inconsistent with Section 402(f).

Plans should consult their legal counsel or benefits consultant when modifying the safe harbor explanations.

The safe harbor explanations in the prior *Notice 2002-3*, appropriately modified to reflect statutory changes since that *Notice 2002-3* was published, will continue to be safe harbor explanations with respect to notices provided through December 31, 2009.

Notice 2009-68 should be used no later than January 1, 2010.

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