



CareFirst Sales Flash

For Distribution to Brokers/General Producers/Full-Service Producers Only
(Not intended for distribution to Groups and Members)

CareFirst 
Family of health care plans

Date: February 3, 2017
Market: 200+

Massachusetts Health Care Reform Creditable Coverage Status Notification to Groups

The Massachusetts Health Care Reform Act requires Massachusetts residents age 18 and older to have health insurance that meets certain minimum standards known as “creditable coverage.” Once again this year, to assist large groups (with over 200 subscribers enrolled) in meeting their requirements, CareFirst will send policyholders who resided in Massachusetts for any portion of 2016 and whose group benefits are creditable, a pre-populated 1099-HC form for tax purposes along with a letter of explanation on or near February 1, 2017. The 1099 will list the policyholder and all covered dependents over the age of 18 with creditable coverage.

Please note: This is the last year we will provide this service to Massachusetts residents due to the introduction of the federal requirements (1095 forms).

CareFirst will be notifying Group Administrators with Massachusetts residents the following:

- Whether their plans pass, fail or are a combination of the two.
- Advise the account we will send subscribers whose plans pass a pre-populated 1099 form on or near February 1, 2017.
- We will also notify the accounts that we will no longer provide this service beyond tax year 2016.

The following Massachusetts residents are **out of scope and will not receive 1099-HC's from CareFirst:**

- Groups with under 200 enrolled subscribers.
- Massachusetts residents who have Medicare.
- Massachusetts residents or dependents under age 18.
- Massachusetts residents who have dental or vision only.

Please be aware, if a policyholder changed their CareFirst coverage during the year, it is possible they will receive two letters/1099s in separate envelopes.

As a reminder, 1099 forms and cover letters will be available in *My Account*. Policyholders will receive their 1099 and notification letter via U.S. mail.

Should you have any questions, please contact your broker sales representative.

Sincerely,



Shekar Subramaniam
Vice President, Sales
Small Medium SBU