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Early Retiree Reinsurance Program Stops Accepting New Applications

The Centers for Medicare and Medicaid Services (CMS) [has announced](#) that effective May 6th, 2011, the temporary Early Retiree Reinsurance Program (ERRP) [will no longer accept new applications](#) due to the availability of funds. ERRP provides reimbursement to eligible sponsors of employment-based plans for a portion of the costs of providing health coverage to early retirees.

The Affordable Care Act appropriated funding of \$5 billion for ERRP and gave the Secretary the authority to stop taking applications for participation in the program based on the availability of funding.

Applications Accepted Through May 5, 2011 Based on the amount of program funding that remained available and the rate at which it was being used to reimburse plan sponsors, CMS concluded that a sufficient number of applications were approved to exhaust the program funding, and it will no longer accept applications for the program after May 5, 2011.

Complete applications must be received on or before 5PM ET on May 5, 2011 to be processed (merely postmarking an application before this date will not be sufficient).

If an application, received by the deadline, is missing information or needs clarification from the sponsor to complete processing, the ERRP Center will contact the sponsor and provide a limited amount of time for a response. If a timely response is not received, the application will be denied.

Additional Information To read the CMS notice, please [click here](#). For more on the Early Retiree Reinsurance Program, please visit the HR360 [Health Care Reform](#) section and click on the appropriate link in the left-hand navigation.

Sincerely,

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