



Executive Summary

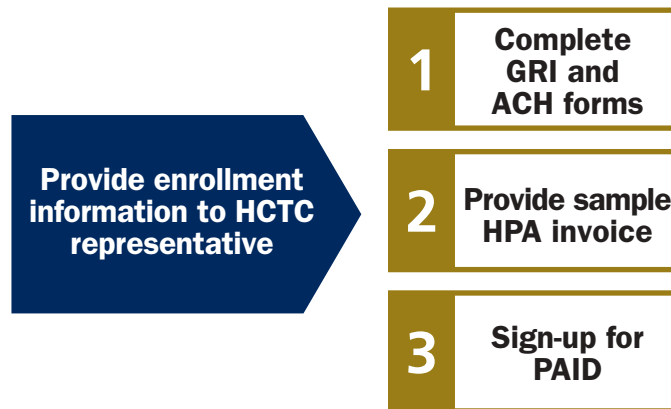
EXECUTIVE SUMMARY

The purpose of this guide is to provide a comprehensive reference tool to help Health Plan Administrators (HPAs) understand the HCTC Program, steps for enrollment, and account maintenance procedures. It also contains a glossary of terms, copies of the forms you will need, and HCTC contact information.

Background

The IRS Health Coverage Tax Credit (HCTC) is a groundbreaking program that pays 65% of eligible health plan premiums for eligible individuals and their qualified family members. Each month, these individuals can send the HCTC Program 35% of their eligible premium; we add the remaining 65% and forward 100% of the eligible premium directly to their HPA on their behalf.

HPA Enrollment



This diagram shows the three easy steps required to enroll to receive HCTC payments from the U.S. Department of the Treasury. You will find detailed instructions on the following pages; following them carefully will help you avoid potential payment difficulties in the future, while providing a valuable benefit to eligible individuals.



Executive Summary

If you have questions about the enrollment process, please contact your HCTC Finance & Accounting Representative. If you are uncertain who to contact, call the HCTC Customer Contact Center at 1-866-628-HCTC (1-866-628-4282), and the appropriate person will return your call.

Receiving Payment

The U.S. Department of the Treasury sends HCTC Program payments directly to HPAs. In accordance with the Debt Collection Improvement Act of 2002, the Federal Government is required to make electronic payments, if at all possible. Each payment is sent as one Electronic Funds Transfer (EFT) transaction per policy, per payment period. Payment is made by an Automated Clearing House (ACH) credit transaction using a CCD+ format. The CCD+ format is a nationally recognized electronic payment format.

For more detailed information, please see pp. 14-16.

How the HCTC Program Works

This section will help you understand the HCTC Program as a whole: the roles of government agencies and private sector organizations, and how the enrollment and benefit features work for participants.

Account Maintenance

This section guides you through the administrative procedures you will need to understand in order to manage ongoing operations with the HCTC Program, such as returning funds, late payments, excepted premium amounts, and tax season information. Please see pp. 16-22 for details.

Frequently Asked Questions and Glossary

This Operations Guide also includes an appendix with the top ten frequently asked questions about the HCTC, a glossary of terms and acronyms, and contact information. The appendix also provides samples of the forms you will be using and instructions on how to fill them out correctly.



Executive Summary

Additional Questions and Copies of This Guide

We look forward to working with you, and are always available to answer your questions and resolve any issues that may arise. Once you have an HCTC account, please refer questions to your assigned Finance & Accounting Representative. If you do not have an account or are uncertain who to contact, please call the HCTC Customer Contact Center, and the appropriate person will return your call.

If you would like additional copies of the HCTC HPA Operations Guide, please call the HCTC Customer Contact Center.

HCTC Customer Contact Center

1-866-628-HCTC (1-866-628-4282)

TDD/TTY: 1-866-626-HCTC (1-866-626-4282)

Hours of operation: 7:00 am to 7:00 pm (CST) Monday-Friday



Executive Summary

COMMONLY USED TERMS AND ABBREVIATIONS

ACH: Automated Clearing House Vendor/Miscellaneous Payment Enrollment Form

ATAA: Alternative Trade Adjustment Assistance

COBRA: Consolidated Omnibus Budget Reconciliation Act

EFT: Electronic Funds Transfer

GRI: General Registration Information Form

HCTC: Health Coverage Tax Credit

HCTC Finance & Accounting Representative: The HCTC contact person assigned to an HPA for payment issues

HPAs: Health Plan Administrators

IRS: Internal Revenue Service

Option: Health coverage choices available to HCTC participants; generally refers to state-qualified health plans, COBRA, individual (non-group) or spousal coverage

PAID: Payment Advice Internet Delivery system

PBGC: The Pension Benefit Guaranty Corporation

PDR: Payment Detail Report

Plan: A person's specific health benefits package or the organization that provides such a package. It may be an HMO, a preferred provider organization, a commercial insurance carrier or a company that self-insures

Product: A health insurance category such as HMO, PPO, POS

TAA: Trade Adjustment Assistance

TIN: Taxpayer Identification Number, which can be either an Employer Identification Number (EIN) or a Social Security Number (SSN)

For a complete Glossary of terms, see pp. 32-41.



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1. OVERVIEW

HCTC Background

The Health Coverage Tax Credit was signed into law on August 6, 2002 as a component of the Trade Act of 2002. The HCTC is a tax credit that pays for 65% of eligible health plan premiums for eligible individuals and their qualified family members. HCTC Program participants are required to contribute the remaining 35% of the eligible premium amount. Participants may claim the tax credit in advance, as the premiums become due, or on their federal tax return.

Only certain health plans qualify. In order for health plans to qualify for the credit, they must meet conditions set forth by the Trade Act of 2002.

The Internal Revenue Service, an agency of the U.S. Department of the Treasury, administers the HCTC in partnership with other federal agencies, the states, and the private health care industry.

HCTC-Eligible Individuals

Individuals who are potentially eligible for the HCTC include those who are eligible to receive benefits through:

- Trade Adjustment Assistance (TAA)
- Alternative Trade Adjustment Assistance (ATAA)
- The Pension Benefit Guaranty Corporation (PBGC)

HCTC Advance Tax Credit

Eligible individuals can elect to receive advance payment of the credit on a monthly basis, or wait to claim the tax credit on their federal tax returns. The advance tax credit allows health coverage to be more affordable and accessible for eligible individuals who may not otherwise be able to obtain health coverage.

If individuals choose to receive the credit in advance, they pay the HCTC Program 35% of their eligible monthly insurance premium. The HCTC program adds the remaining 65% of the eligible premium amount to the participant's payment, and forwards the total premium amount to the HPA.

Additional information about the HCTC advance tax credit can be found on the IRS website: www.irs.gov, IRS keyword "HCTC."



Health Plan Requirements

The HCTC can only be used to cover eligible premiums for qualified health plans. Only premiums for major medical expenses are eligible for the credit. There are two categories of health plans qualified for the HCTC: automatically qualified and state-qualified. Automatically qualified plans require no action to be taken by state Departments of Insurance.

Automatically Qualified Plans

COBRA: continuation coverage provided under the Federal Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1985.

Attention COBRA HPAs

COBRA HPAs are required to accept payments from the HCTC Program for eligible COBRA enrollees who wish to participate in the advance tax credit program. Internal Revenue Service Regulations – see 64 Fed. Reg. 5169-5170 (3 February 1999) – require COBRA administrators to accept payments from third parties on behalf of their qualified enrollees. For legal questions specific to this portion of the COBRA regulations or obligations as a COBRA administrator, HPAs may contact their HCTC Finance & Accounting Representative.

Individual (non-group) Health Plan: coverage that must have been purchased at least 30 days prior to the date the individual separated from the job that led to the receipt of, or qualification for, TAA, ATAA, or PBGC benefits.

Spousal Coverage: coverage under a group plan available through the employment of an eligible individual's spouse. In order for the plan to be qualified for the HCTC Program, the spouse's employer must contribute less than 50 percent of the total cost of coverage. This type of coverage, although allowable under the HCTC legislation, cannot be claimed for the monthly advance tax credit. As a result, HPAs will not receive HCTC payments for this coverage type.

Exceptions: COBRA, state-based continuation coverage, or a special insurance program, which is entered into by the state and an employer and is designed to qualify for the HCTC.



Overview

State-Qualified Health Plans

These are health plans the states have qualified for HCTC participants. To qualify, the coverage must meet the legislative requirements set forth in the Trade Act of 2002. The states' Departments of Insurance work with governors' offices and other designated agencies to qualify health plans for HCTC participation.

Advantages of State-Qualified Plans

We send the customer to you. The HCTC Program markets state-qualified health plans to HCTC candidates who are not yet insured or who may need to change HPAs (i.e., COBRA enrollees). A list of state-qualified plans is provided on www.irs.gov.

Low customer turnover. Since many HCTC candidates are not eligible for the automatically qualified options, their only choice is the state-qualified plan. State-qualified plans have the earliest and longest exposure to the eligible population.

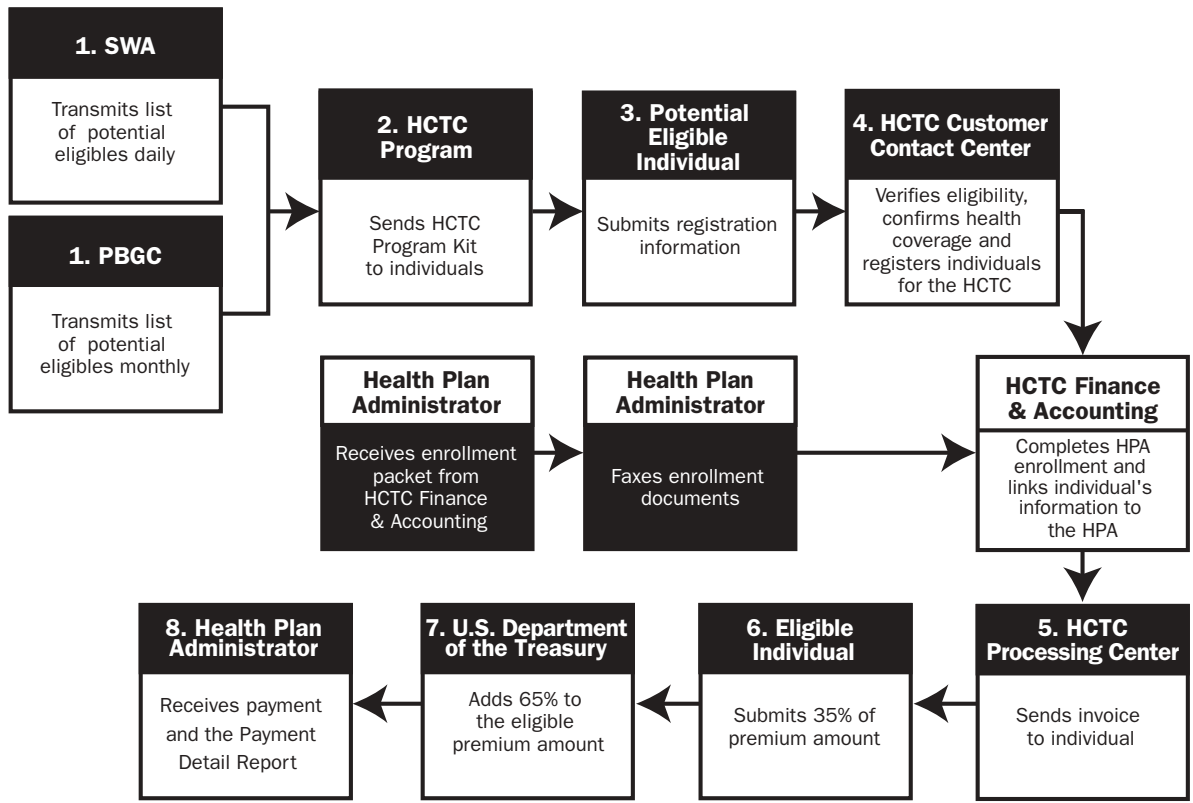
HPAs are encouraged to work with the state Departments of Insurance to become a state-qualified plan for the HCTC.

Additional information about the HCTC Program, including requirements for qualified health plans, may be found on the IRS website: www.irs.gov, IRS keyword "HCTC."



How the HCTC Program Works

2. HOW THE HCTC PROGRAM WORKS



The diagram above shows a simplified schematic of how the advance HCTC Program works. The following paragraphs give a more detailed explanation.



How the HCTC Program Works

The HCTC Process – From a Health Plan Administrator Point of View

Potential Eligibles Are Contacted

- 1) Participating agencies transmit a list of potentially eligible individuals to the HCTC Program.

The State Workforce Agency (SWA) provides daily transmissions, and the Pension Benefit Guaranty Corporation (PBGC) provides monthly transmissions.

- 2) The HCTC Program sends an HCTC Program Kit to the potentially eligible individual.

A PDF version of the Program Kit may be obtained online at www.irs.gov, IRS keyword "HCTC."

Potential Eligibles Enroll

- 3) The potentially eligible individual submits registration information.

Registrations are submitted by mail or by telephone. For mail registrations, candidates complete and submit the HCTC Registration Form mailed to them in the Program Kit. For telephone registrations, a Customer Service Representative (CSR) walks the candidate through the registration process by asking questions about eligibility and health coverage. The registration system determines the eligibility of the candidate based on the responses to these questions and provided documentation.

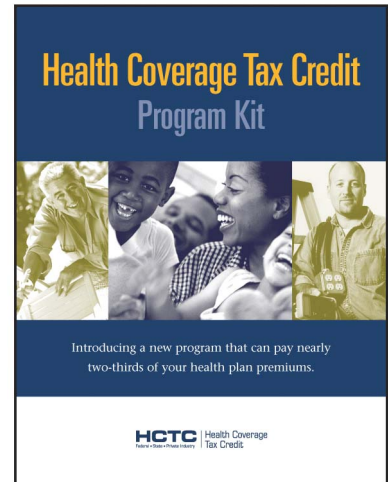
The HCTC Program Verifies Information Provided and Registers Individual

- 4) The HCTC Program verifies eligibility, confirms health coverage, and registers the individual for the HCTC advance tax credit program.

Health coverage documentation is required during the individual's registration process. Candidates must submit proof of health coverage, such as a copy of their invoice or a letter from their HPA confirming enrollment.

Providing HCTC Candidates with Required Documentation

Participants may be required to submit additional documentation to the HCTC Program for excepted premium amounts (i.e. vision, dental) or non-qualified family members who may be on the policy. This additional information is needed only when such premium amounts are not clearly indicated on the submitted invoice.





How the HCTC Program Works

HPAs may receive calls from HCTC candidates requesting the information outlined above. For example, if non-qualified family member policies or dental expenses are NOT broken out within the participant's invoice, the participant may ask the HPA to provide a letter breaking down that information.

The participant may request that the HPA provide a letter to detail additional information that is not otherwise displayed on the HPA invoice. All letters must be signed by an HPA representative and appear on company letterhead.

The HCTC Program will use the submitted documentation to determine the following:

- Qualified premiums (excluding exceptions – vision, dental, prescription, non-qualified family members. See page 20 for a full list of excepted premium items.)
- Invoice "remit to" address
- Invoice due date
- Health plan telephone number

COBRA HPAs may also receive requests from participants for COBRA documentation such as a COBRA election letter. This documentation is used by the HCTC Program to verify a COBRA participant's eligibility for the HCTC.



How the HCTC Program Works

Eligible Individual Receives HCTC Invoice

5) The HCTC Program sends an invoice to participants once they have been successfully registered for the advance HCTC option.

Individuals are instructed to continue paying health plan premiums directly to their HPA until they receive an HCTC invoice. (Please see invoice example.)

The HCTC invoice due date for all participants is eight days prior to the first of the next month.

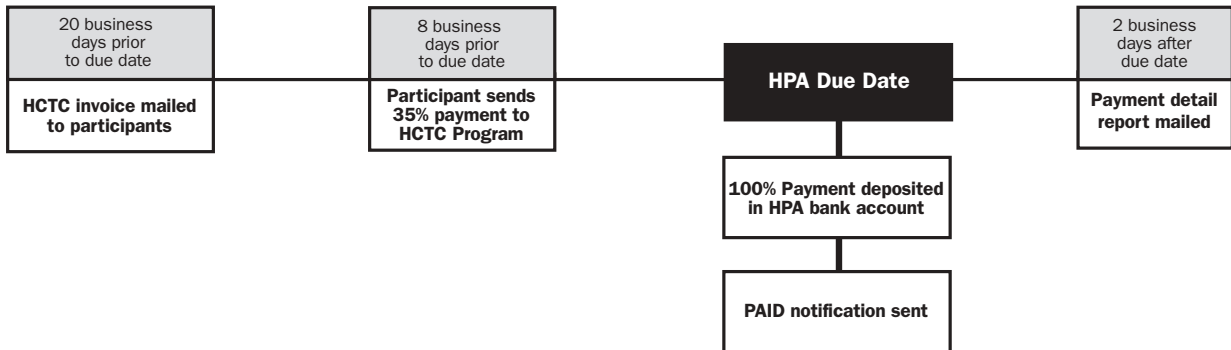
HCTC Health Coverage <small>Federal • State • Private Industry</small> Tax Credit		P.O. Box 970023 St. Louis, MO 63197-0023 PHONE: 866-628-HCTC		Invoice Date: 03/01/2004 Due Date: 03/24/2004 Account Statement from: 02/05/2004 to 03/05/2004
RANDY RHODES 07 355 CORAL WAY DR RESTON, CT 20190			Account Number 100010954 <i>Please write account number on check and make payable to: US Treasury – HCTC</i>	
DATE	REFERENCE	DESCRIPTION	AMOUNT DUE	AMOUNT PAID
03/05/2004	100150649	Eligible Amount Due	35.00	
03/05/2004	100150650	Other Amount Due	7.00	
Balance:			42.00	
<p>Your payment is due to us by the due date on this invoice. The due date refers to the date that we must receive your payment, not the postmark date. Please allow enough time for mail to reach the HCTC Processing Center.</p> <p>If you have already made your payment directly to your health plan administrator or if your health plan premium amount changes, you must call the HCTC Customer Contact Center at 1-866-628-HCTC (4282) to update your account.</p>				
<small>Please note that by sending a payment for the amount specified in this invoice, you consent to our HCTC program sending a payment for your premium to your health plan administrator. This payment and invoice identifies you (or your qualified family members, if applicable) as the insured party/parties, as well as the amount of the payment.</small>				
HCTC Health Coverage <small>Federal • State • Private Industry</small> Tax Credit		Pay by credit card <input type="checkbox"/> Visa <input type="checkbox"/> MasterCard <input type="checkbox"/> American Express <input type="checkbox"/> Diners/Novus Card Number _____ Exp ____/____ Signature _____ <small>I agree to pay the total amount indicated according to my card issuer agreement.</small>		
RANDY RHODES 07 355 CORAL WAY DR RESTON, CT 20190 Account: 100010954 Due date: 03/24/2004 Due this month: \$ 42.00		Please make your payments to: U.S. Treasury-HCTC P.O. Box 970023 St. Louis, MO 63197-0023		
Amount Paid: \$ <input type="text"/>				
<small>HIN2/A Please do not write below this line. Do not send cash. Do not fold, staple, or paper clip this coupon.</small>				
100010954 00004200 6				

Note: The HCTC Program sends invoices to participants on a monthly basis. The program’s billing is contingent upon participant eligibility for the tax credit. If participants are no longer eligible for the tax credit, the HCTC Program will not invoice the individual or make payment to their HPA.



How the HCTC Program Works

HPA Receives Payment



Payment Timeline

The timeline above outlines the payment process.

- 6) Eligible Individual submits 35% of the eligible premium amount
- 7) U.S. Department of the Treasury adds 65% to the eligible premium amount

The HCTC program adds the remaining 65% of the eligible premium amount to the participant's payment and forwards the total premium amount to the HPA.

The HCTC Program pays premiums by HCTC-eligibility month as opposed to HPA coverage month. This practice is a result of the Trade Act of 2002, which defines HCTC eligibility as beginning on the first of each month.

The HCTC Program sends electronic payments on or before the first of the month.

Facts About Payments

- Payments are made by the U.S. Department of the Treasury for the Internal Revenue Service (IRS).
- Payments are made per individual policy. No bulk payments are made.
- Payments are delivered electronically using an Automated Clearing House (ACH) transaction in CCD+ format. A 30 character field addenda record contains participant and policy information.
- Participants are responsible for reconciling any outstanding balances directly with their HPAs. The HCTC Program makes payments for the current month, not for previous unpaid months.



How the HCTC Program Works

8) The HCTC Program deposits payments to designated HPA bank account(s).

The HCTC Program will make payments to a single bank account, or to multiple bank accounts at the request of the HPA.

The HPA's accounting department is best suited to determine whether payments should be routed to one bank account or multiple accounts.

If the HPA determines that payments should be sent to multiple bank accounts, notify the assigned HCTC Finance & Accounting Representative.

Paper Payment Detail Report

The Payment Detail Report (PDR) contains a list of individual payment transactions made to the HPA. The report is sent by USPS Priority Mail within two days of the payment posted date. HPAs receive a paper copy of the Payment Detail Report, unless otherwise requested.

To specify the proper recipient of the paper Payment Detail Report, provide the following information on the HCTC General Registration Information (GRI) Form, field 1f, "Invoice Remit To Address" (please see p. 52):

Name of HPA

1111 ABCD Street

City, State, Zip code

Attn: (Name of contact for paper PDR)

IRS1	Payment Proposal List for Proposal run 09/05/2003 VENDR	09/08/2003 / 18:01:33			
U.S.A.	Identification Code HCP Detail Listing	User: GRMART			
Company code: IRS1		Page: 1			
Vendor#/ ABC HPA 123 ANY ST NEW YORK, NY 11111-1111 US					
Customer Name	HCP Policy#	Group Number	Member Number	Health Care Invoice	Other Invoice
Total Vendor#/ Amount:					



How the HCTC Program Works

Electronic Payment Detail Report

Future HCTC Program improvements may include an electronic Payment Detail Report. Interested HPAs should contact their Finance & Accounting Representative for more information, if they have not already done so.

NOTE: If registered in PAID, HPAs may view payment information in the system, or can receive e-mail notification of payment information from PAID. Payment information is available in the PAID system within 24 hours of the date of payment.

HCTC Account Maintenance

Returning Funds to the HCTC Program

There may be instances when the HPA must return funds to the HCTC Program. Reasons for returns may include:

- Participant's coverage ended or was cancelled
- Participant's premium amount changed
- Participant changed HPAs
- Participant's unemployment status changed and the individual is no longer eligible for the HCTC
- Participant became Medicare-eligible
- Incorrect HPA was paid

Prior to returning funds, the HPA must inform its HCTC Finance & Accounting Representative of the pending return. Please be prepared to provide the following information:

- Participant name
- Participant Social Security Number (SSN)
- Reason for return (in order to process funds appropriately and make any necessary corrections to the HPA's account and/or the participant's account)

The HCTC Finance & Accounting Representative will document the information provided and send a Return of Funds Form to the HPA. The HPA is asked to review the documented information for accuracy and follow the provided instructions. For a copy of the form and its instructions, see pg. 53.

Note: All returned funds must be accompanied by a "Return of Funds Form."



How the HCTC Program Works

Updating Bank Information

Whenever the HPA changes banks, or updates existing bank information, they must complete the following steps in order to ensure that all payment information has been correctly updated:

- Notify your HCTC Finance & Accounting Representative of the changes
- Provide the Finance & Accounting Representative with documentation by faxing updated ACH and GRI forms (Please see pp. 49-52) to:

Internal Revenue Service

HCTC Finance and Accounting Center

Attn: Systems Control Team

Fax Number: 1-800-675-9602

Enrolling Individuals Who Reside in Other States

HPAs who offer state-qualified options may receive inquiries from out-of-state HCTC-eligible individuals. HPAs should follow their standard business practices when deciding whether to enroll these individuals.

Should you decide to enroll or drop out-of-state individuals, the HCTC Program encourages you to alert your HCTC Finance & Accounting Representative. If you are uncertain who to contact, please call the HCTC Customer Contact Center and the appropriate person will return your call.

HCTC Customer Contact Center

1-866-628-HCTC (1-866-628-4282)

TDD/TTY: 1-866-626-HCTC (1-866-626-4282)

Hours of operation: 7:00 am to 7:00 pm (CST) Monday-Friday

Alerting the program to these changes will help mitigate any potential payment difficulties.

If a state-qualified plan notifies the HCTC Program that it is enrolling out-of-state individuals, the HCTC Program will provide this information to individuals who call the HCTC Customer Contact Center and will also post this information on the IRS website, www.irs.gov.



How the HCTC Program Works

Participants Who Want to Switch State-Qualified Plans

State Departments of Insurance that offer more than one state-qualified plan may receive requests from HCTC participants to switch plans. Under guaranteed issue, qualified participants must be permitted to switch plans.

If a participant switches plans, the HCTC Program requires time to process the change. In general, if the health plan is enrolled and is in the HCTC Program's system, the process takes approximately one week. However, if the HPA is not in the HCTC Program's system, the HCTC Program must contact the HPA. In this instance, it can take up to six weeks to process the change.

Additionally, the program is dependent on participants providing new proof of coverage (i.e., a copy of an invoice) in order to make payments. Due to processing time, the HCTC payment amount may not correctly match the amount on the new HPA invoice immediately.

If a discrepancy occurs, the HCTC Program advises participants to make payment arrangements directly with their HPAs to resolve any unpaid balances.

NOTE: Administrators of state-qualified plans should be aware that they cannot change plan offerings without the HCTC Program's knowledge and consent. As they gain experience, plans may conclude that other plans would be better suited to HCTC participants. Please work with your state Department of Insurance and the HCTC Program Office to qualify the plan. Failure to do so will result in a loss of the HCTC benefit for the participant. For additional information, contact your HCTC Finance & Accounting Representative.

Participants Who Switch from COBRA to a State-Qualified Plan

In some cases, individuals may change HPAs while claiming the HCTC in advance. For example, individuals may be receiving HCTC in advance for COBRA benefits, but will have enrolled with a state-qualified plan because they are nearing the end of their COBRA coverage period and wish to avoid a lapse in coverage.

Participants are instructed to notify the HCTC Customer Contact Center at least 30 to 45 days in advance prior to changing HPAs. Once the participant provides a copy of the new HPA's invoice, the HCTC Customer Contact Center re-registers the participant under the new HPA.



How the HCTC Program Works

In most instances, the HCTC Program is able to invoice the participant for the new premium amount and submit payment to the new HPA without disruption. However, the following factors can impact invoice timing:

- The HCTC Program was NOT notified of the HPA change. Unless notified, the HCTC Program will continue to invoice the participant under the HPA and premium amount on record.
- The HCTC Program was notified of the HPA change after sending the participant a current month invoice for the HPA on record.
- The new HPA is not enrolled with the HCTC Program.

Untimely Payments to HCTC from Individuals

No Payment

If participants fail to send a payment to the HCTC Program (and there is no credit equal to their 35% amount on their account), no payment will be submitted.

Note: Participants will receive a letter stating that because the HCTC Program did not receive a payment, no payment was sent to their HPA. The individual is then instructed to make 100% payment directly to the HPA.

The participant will receive an HCTC invoice the following month. This invoice will not reflect the amount the participant failed to pay the previous month.

Participants may claim the tax credit on their federal income tax return for any HCTC-eligible months when the advance tax credit was not received.

Underpayment or Late Payment

If eligible participants underpay their HCTC invoices by a minimal amount, the HCTC Program matches 65% of the payment received, and forwards this amount to the HPA.

Note: Participants will receive a letter stating that they have underpaid. Participants are instructed that they are responsible for reconciling any outstanding balances directly with their HPAs.

Should an HPA cancel an enrollee for late or short payments, the HPA should follow its customary business guidelines when determining whether such a participant should be subsequently re-enrolled in the HPA's product.



How the HCTC Program Works

For state-qualified HPAs, the guaranteed issue condition will not apply to the re-enrolling participant whose coverage was previously canceled for untimely payments.

Payment Not Received from the HCTC Program

If an HPA does not receive payment from the HCTC Program by the expected date, please contact the assigned HCTC Finance & Accounting Representative.

Excepted Premium Amounts

Per the Trade Act of 2002, the following coverage does not qualify for the HCTC. Consequently, the enrollee is responsible for paying 100% of the premium amount for the following items:

- 1) Coverage under a flexible spending account or similar arrangement
- 2) Any insurance, if substantially all of the coverage is:
 - a) Accident or disability income insurance (or a combination of the two)
 - b) Liability insurance
 - c) A supplement to liability insurance
 - d) Workers' compensation or similar insurance
 - e) Automobile medical payment insurance
 - f) Credit-only insurance
 - g) Coverage for on-site medical clinics
 - h) Limited scope dental or vision benefits
 - i) Benefits for long-term care, nursing home care, home health care, community-based care (or any combination)
 - j) Coverage only for a specified disease or illness
 - k) Hospital indemnity or other fixed indemnity insurance
 - l) Medicare supplemental insurance, TRICARE supplemental insurance, or other similar supplemental insurance to an employer-sponsored group health plan

Note: Supplemental medical coverage is not covered by the HCTC.

The HCTC Program is authorized, by law, to only pay 65% of the major medical premium. For convenience, individuals may also remit to the HCTC Program payment for excepted premium amounts, if billed on the same invoice as the major medical premium. Therefore, when participants make payment to the HCTC Program, they may send 100% of the excepted amount, in addition to their required 35% major medical



How the HCTC Program Works

premium contribution. The HCTC Program will then add its portion of the premium payment, and send the entire amount to the HPA.

Claiming the HCTC on the Tax Return

Individuals have two ways to claim the HCTC – in advance on a monthly basis, or on their federal income tax return.

The HCTC Program Kit, which is sent to individuals who are potentially eligible for HCTC prior to enrollment, includes information about claiming the HCTC on the tax return.

Individuals are instructed to provide the following to the IRS when they file their tax return in order to claim the tax credit:

- IRS Form 8885
- Proof of qualified health coverage for any months claimed (i.e., invoices, COBRA election notices or coupon stubs, and other similar documents from HPAs)
- Proof of payment for any months claimed (i.e., cancelled checks, bank statements, and credit card statements, or a pay stub if insurance is through a spouse's employment)

Individuals lacking this documentation can contact their HPA. The HCTC Customer Contact Center is instructing these individuals to do so **ONLY** if they have no other way of obtaining the required documentation. HPAs should expect some requests because not all individuals will have the required documentation.

If invoice copies are not available, please respond to participant documentation requests on official letterhead with an authorized signature. Proof of coverage should contain the same information as an invoice:

- HPA's name, address, and telephone number
- Name of primary policyholder
- Member, group, or policy ID number
- Total premium amount
- Month or months of coverage



How the HCTC Program Works

Proof of payment should contain the following information:

- Name of primary policyholder
- Social Security Number (SSN)
- Month or months of coverage
- Amount paid for each month

Additionally, if any months or portions of months were claimed in advance, participants will receive IRS Form 1099-H.

The IRS mails Form 1099-H to advance tax credit participants for use in claiming the credit on their tax returns, where appropriate.

Form 1099-H displays the amount of the advance tax credit that was paid towards the qualified health plan premiums, for the months in which the individual participated in the HCTC Program.

The image shows a sample of IRS Form 1099-H for the year 2004. The form includes fields for the issuer's name and address, the recipient's name and address, and a table for monthly advance payments received. The table has columns for months from January to December. The form also includes instructions for filing and a note about privacy and paperwork reduction.

The IRS has issued guidelines that relieve HPAs from preparing Form 1099-H. Unless the HPA chooses to prepare the form, the HCTC Program will prepare the form, file it with the IRS, and provide copies to the taxpayer. For more information, see Notice 2004-47, 2004-29 Internal Revenue Bulletin 48 (19 July 2004).

Questions Regarding HCTC Federal Income Tax Information

Please direct participants to contact the HCTC Customer Contact Center for information regarding claiming the HCTC, completing IRS form 8885, or Form 1099-H.

HCTC Customer Contact Center

1-866-628-HCTC (1-866-628-4282)

TDD/TTY: 1-866-626-HCTC (1-866-626-4282)

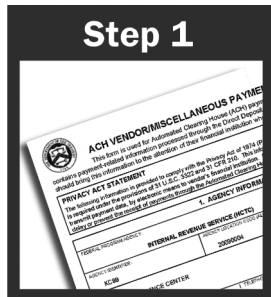
Hours of operation: 7:00 am to 7:00 pm (CST) Monday-Friday

HPAs may contact their assigned HCTC Finance & Accounting Representative for questions regarding claiming the HCTC on the tax return.

Please visit www.irs.gov, IRS keyword "HCTC."



3. HOW TO ENROLL



Step 1- Sign up for Electronic Funds Transfer (EFT)

In order to receive EFT payments from the U.S. Department of the Treasury for HCTC-eligible individuals, HPAs are required to complete the Automated Clearing House (ACH) Vendor/Miscellaneous Payment Enrollment Form, and the General Registration Information (GRI) Form.

If HPAs determine that payments should be sent to multiple bank accounts, or if they have any questions regarding the completion of these forms, they should contact their assigned HCTC Finance & Accounting Representative.

The Automated Clearing House (ACH) Vendor/Miscellaneous Payment Enrollment Form

The U.S. Department of the Treasury's ACH Form is used by the IRS to enable ACH payments, which are also referred to as Electronic Funds Transfers (EFTs).

The Automated Clearing House (ACH) Vendor/Miscellaneous Form may be found on p. 49.



How to Enroll

The General Registration Information (GRI) Form

The General Registration Information (GRI) Form is a standard form used by the HCTC Program to collect required information, in addition to the U.S. Department of the Treasury's ACH form. The General Registration Information (GRI) Form may be found on p. 51.

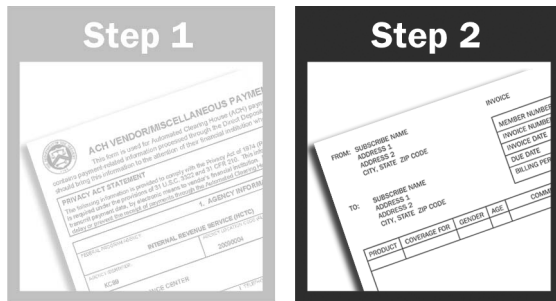
Matching Critical Information

In order to correctly apply payments, the information provided in the forms and fields below must be identical

ACH Form Field	GRI Form Field
Payee/Company Information	Additional Company Information
Name	Legal Name
SSN OR Taxpayer ID Number	EIN/TIN
Address	Legal Address



How to Enroll



Step 2 - Provide Sample Invoice

The HCTC Program uses key enrollee data from HPA invoices to ensure that HPAs are able to correctly apply payments to individual accounts.

HPAs **MUST** provide the HCTC Program with a copy of a participant invoice, and identify the key invoice data that is necessary to apply payments. Please fax the copy to:

Internal Revenue Service

HCTC Finance and Accounting Center

Attn: (name of HPA's Finance and Accounting Representative)

Fax Number: 1-800-675-9602

NOTE: In order to send payments to different divisions and/or bank accounts, HPAs **MUST** provide separate invoices for each unique employer "remit to" address for EFTs.

The following sections identify the key invoice data needed for COBRA, individual and state-qualified plans.

Key Invoice Data for COBRA and Individual (Non-State-Qualified Plan) HPAs

Individuals enrolled in COBRA or individual health plans **MUST** provide a copy of their invoice to the HCTC Program during enrollment. If contacted by the HCTC Program, HPAs of these plans should be prepared to explain which field/location on a participant's invoice indicates where payment should be sent.

In addition to an individual's basic information (name, address, etc.), identifying the following key data on an HPA's invoice to enrollees facilitates the application of payments:

- Participant Social Security Number (SSN)/policy ID number
- Employer/former employer name
- Invoice due date
- Any other identifying data



How to Enroll

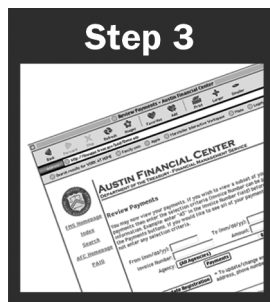
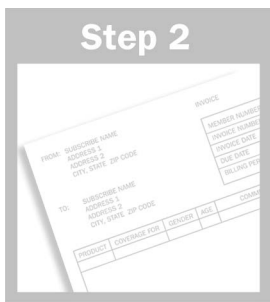
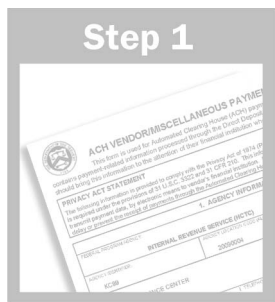
Key Invoice Data for State-Qualified HPAs

State-qualified plans MUST provide a copy of the invoice they send to enrolled individuals. Identifying the following key data on an HPA's invoice to enrollees facilitates the application of payments:

- HPA name, address, and telephone number
- HPA payment "remit to" address (if different than the default address above)
- Invoice due date
- Insurance product name
- Total premium and premium due date
- A premium breakout between the major medical and excepted benefits premiums
- One of the following: member ID, group ID, or policy number



How to Enroll



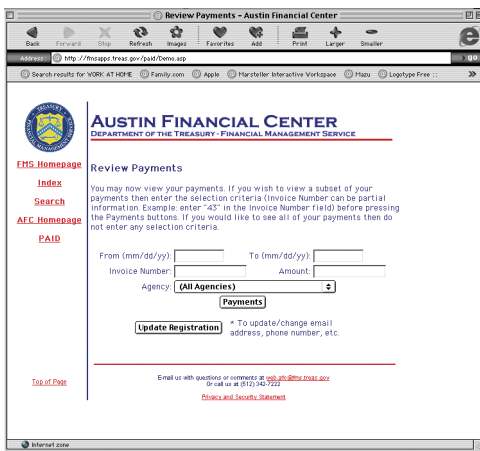
Step 3 – Sign Up for Payment Advice Internet Delivery (PAID) Introduction to the PAID System

HCTC payment remittance information is available to HPAs on the Internet, free of charge. The Payment Advice Internet Delivery (PAID) system was developed by the U.S. Department of the Treasury’s Financial Management Service to provide payment remittance information to users who are paid electronically through the Automated Clearing House (ACH) system. With PAID, HPAs are able to access total daily payment activity and query the PAID database by date, invoice number, or dollar amount.

When registering for the PAID system, HPAs can choose to receive payment remittance information in one of the following ways:

- 1) Web access to remittance data
- 2) E-mail notification of new remittance data
- 3) E-mail delivery of remittance data*

*A single e-mail can contain up to 8,000 characters. Once this limit is reached, an additional e-mail is generated. If an HPA receives a large volume of HCTC transactions, selecting Option 3 may result in multiple e-mails.



Advantages of the PAID System

PAID provides immediate electronic access to payment information. In addition, e-mail notification provides written confirmation when a payment has been posted to the HPA’s bank account within 24 hours of the date of deposit.



How to Enroll

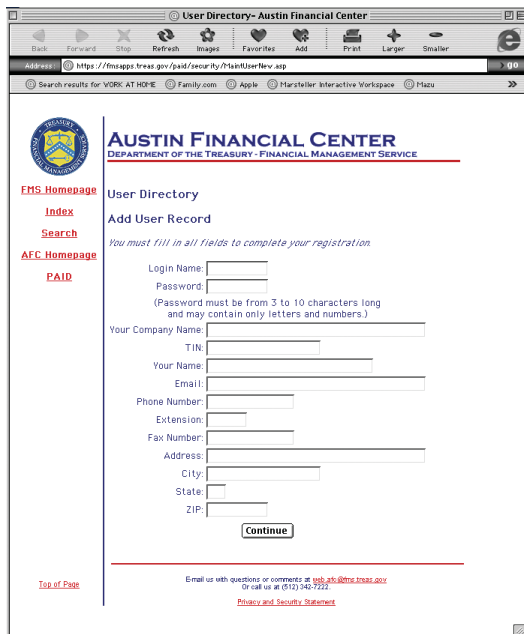
PAID provides payment information in a secure manner. Users access the system through a unique log-in ID and password. Secure Sockets Layer (SSL) security (the industry-standard method for protecting web communications) is used on the PAID website, and e-mail information is 128-bit encrypted.

Note: With PAID, there is a reduced dependency on banks for the payment addenda record. This may save HPAs money if their banks charge them for providing this addenda information.

How Do HPAs Register for PAID?

Registration takes about 10 minutes and can be completed by submitting a registration form on-line: <http://fms.treas.gov/paid>. Simply provide the information requested, select a notification option, and verify that the data provided is correct.

You will receive an e-mail confirmation of your registration within five business days; your PAID account is active the following day. You will then be able to log in and start receiving e-mail notification immediately.



Demonstration of the PAID Registration Process

Screen 1: Complete the required fields shown on the left. Click Continue.

Screen 2: Select a Service Option. Click Continue.

Screen 3: Verify information. To make corrections, click Correct. If the information is accurate, click Accept.

Screen 4: A confirmation will appear showing that the registration information has been submitted.

Questions Regarding PAID

Please e-mail your PAID questions to HCTCPAID@irs.gov, or call the PAID Helpdesk at (512) 342-7222.

For more information, refer to the PAID fact sheet developed by the U.S. Department of the Treasury's Financial

Management Service (FMS), which is available at <http://fms.treas.gov/paid/PAIDfaq.asp>.



4. APPENDIX

Please Keep in Mind

- The advance HCTC is a tax credit paid monthly to an HPA on behalf of an eligible individual who is enrolled in the HCTC Program.
- Generally, the Department of Insurance in each state is responsible for qualifying state-qualified plans for the HCTC Program.
- The HCTC potential eligibility file is updated daily from State Workforce Agencies (SWAs) and updated monthly from the PBGC.
- The HCTC Program does not track COBRA eligibility dates.
- The HCTC Program invoices the individual for 35% of the eligible premium amount, adds the remaining 65% of the eligible premium amount to the participant's payment, and forwards the total premium amount to the HPA. HPAs include former employers and third party administrators.
- Generally, an HPA's CFO or Accounting Department is the best source for obtaining the information required to enroll with the HCTC Program.
- Once you have an HCTC account, please refer questions to your assigned Finance & Accounting Representative. If you do not have an account or are unsure of whom to contact, please call the HCTC Customer Contact Center and the appropriate person will return your call.

HCTC Customer Contact Center

1-866-628-HCTC (1-866-628-4282)

TDD/TTY: 1-866-626-HCTC (1-866-626-4282)

Hours of operation: 7:00 am to 7:00 pm (CST) Monday-Friday

NOTE: If your HCTC customers have questions about the program, HPA call centers are encouraged to provide callers with the HCTC Customer Contact Center's toll free number listed above.

Important

- The resolution of unpaid balances is the responsibility of individuals and their HPAs.
- The HCTC may only be used to pay premiums for qualified health plans and the credit will only apply to premiums for major medical expenses.
 - Excepted premium amounts, such as dental and vision coverage, are NOT eligible for the HCTC. For more information about excepted premium amounts, please see p. 20.



Top 10 Frequently Asked Questions

1) Question: How do HPAs benefit from participating in the HCTC Program?

Answer: By participating in the HCTC Program, HPAs can improve access to health coverage for eligible individuals and their families. Without the HCTC, many of these people would not be able to afford health coverage.

Other benefits of participation include:

- Participating in a groundbreaking health coverage tax credit program with the possibility of growth to a larger eligible population
- Access to a new pool of HCTC-eligible people monthly
- Long-term relationships with policy holders. TAA eligibility is up to thirty months. PBGC eligibility is up to ten years.

2) Question: How long will this program be in effect?

Answer: There is no end date or sunset provision in the Health Coverage Tax Credit (HCTC). However, payment for the tax credit for eligible individuals is contingent upon the funding for the Trade Adjustment Assistance Program (TAA), which has been re-authorized through September 30, 2007.

3) Question: Will the HCTC Program charge HPAs any fees for participation?

Answer: No. The HCTC Program does not charge HPAs any fees. The program has integrated procedures to minimize HPA administration costs.

4) Question: How do I know I will receive payments on time?

Answer: See pg. 14.

5) Question: Can the HCTC Program endorse our health plan above others?

Answer: No.

6) Question: Is there a maximum amount for health plan premiums?

Answer: No.



7) Question: What happens if HCTC participants do not send their portion of the premium to the HCTC Program?

Answer: When a participant misses a payment, the HCTC Program sends out a letter notifying the participant that the program has not received a payment and has therefore, has not sent a payment to the participant's HPA. The letter advises the participant to pay 100% of the premium directly to the HPA for the missed payment period. HCTC participants are responsible for reconciling any outstanding balances directly with their HPAs. HPAs should follow their usual business guidelines when determining cancellation and/or re-enrollment of HCTC participants.

8) Question: What is the invoice "remit to" address used for?

Answer: By comparing the invoice "remit to" address on documentation provided by the participant to that provided by the HPA, the HCTC Program can quickly determine whether the HPA is currently enrolled in the HCTC Program. This in turn accelerates the participant's registration process. If the individual is enrolled under an HPA that is not participating in the HCTC Program, we will attempt to enroll the new HPA.

9) Question: If participants change health plans and their payment went to the previous HPA, can that HPA forward the payment to the new one? Or must the previous HPA return the funds to the HCTC Program?

Answer: Please contact your HCTC Finance & Accounting Representative immediately should this situation arise. Both options are acceptable. However it is of paramount importance to the HCTC Program that these funds are moved as quickly as possible to the proper HPA to avoid a loss of coverage.

10) Question: If an HCTC participant overpays, why can't it be applied to the customer's health plan account to avoid extra paperwork on both ends?

Answer: The 65% advance credit payment must be made only in months in which the participant is eligible for the HCTC Program. Overpayments may not remain on the customer's health plan account because the HCTC Program cannot foresee a participant's future eligibility. However, HCTC participants may pay several months at a time to the HCTC Program. These funds are paid out from their HCTC account until they are exhausted.



Glossary of Terms

ACH – Automated Clearing House Vendor/Miscellaneous Payment Enrollment Form.

Advance Credit – The HCTC claim option by which the HCTC Program pays 65% of an eligible individual’s monthly health plan premium as it becomes due. Eligible individuals must register for the advance credit program.

Alternative Trade Adjustment Assistance (ATAA) – The ATAA is a benefit for workers at least 50 years of age who have obtained different, full-time employment within 26 weeks of separation from adversely-affected employment. These workers may receive 50% of the wage differential, up to a maximum of \$10,000, during their two-year eligibility period. To be eligible for the ATAA program, workers may not earn more than \$50,000 per year in the new employment. Also, the firm where the workers worked previously must meet certain eligibility criteria. Workers who take advantage of the ATAA cannot receive the regular TAA benefits and services (training, TRA, and job search allowances); they are, however, eligible to apply for relocation allowances and the HCTC. Note: If an individual registers for the tax credit under TAA and then becomes a participant in ATAA, the participant must re-register and re-qualify for the HCTC at that time.

Automatically Qualified Health Plan –The law governing the HCTC Program identifies three types of health coverage as automatically qualified for the purposes of the tax credit for all eligible individuals, without further state actions. The HCTC Program will contact these health plans on behalf of the potential participant, asking that they participate in the HCTC Program.

1. COBRA continuation coverage, unless the employer or former employer pays at least 50% of the cost of coverage. Any share of a premium that is paid by the individual on a pre-tax basis is considered to have been paid by the employer and must be included as such when determining the percentage of employer coverage.
2. Individual coverage in which the participant was enrolled for a minimum of 30 days before they were separated from the job that made them eligible for TRA benefits, ATAA benefits, or for payments from the PBGC. (Individual coverage provided under a contract issued to one individual or family at a time, generally requiring evidence of insurability and usually purchased through agents, brokers, or associations.)



Appendix

3. The participant's spouse's insurance from employment (also referred to as "spousal coverage"), as long as the employer contributes less than 50% of the total cost of coverage. Any share of the premium that is paid by the participant or the participant's spouse on a pre-tax basis (such as a flexible spending arrangement) is considered to have been paid by the participant's employer and must be included as such when determining the percentage of employer coverage. (At this time, participants can claim the credit with this type of coverage only when they file a federal income tax return and not in advance, unless it is COBRA coverage.) If participants qualify for the HCTC under ATAA, they may claim the HCTC to pay for this type of coverage only if the employer does not pay for any portion of the cost of coverage.

Exceptions: COBRA, state-based continuation coverage, or a special insurance program, which is entered into by the state and an employer and is designed to qualify for the HCTC.

Break In Coverage – A period of time during which an individual is without creditable coverage. HCTC candidates can be required to have had three months of creditable coverage immediately preceding the time that they apply for a qualified health plan. The "immediately" includes a possible break in coverage of up to 62 days. If the break in coverage is more than 62 days, the plan may be able to impose preexisting condition exclusions. Although a Health Plan Administrator can require three months of creditable coverage, it can also waive this requirement.

CCC – The HCTC Program's Customer Contact Center.

Toll free at 1-866-628-HCTC (1-866-628-4282)

TDD/TTY callers, may call 1-866-626-HCTC (1-866-626-4282)

Hours of operation: 7:00 am to 7:00 pm (CST), Monday through Friday

COBRA – Consolidated Omnibus Budget Reconciliation Act of 1985. COBRA provides the right to temporary continuation of health coverage at group rates for certain former employees, retirees, spouses, former spouses, and dependent children. Eligible individuals must have lost coverage due to a qualifying event and have been enrolled in their employers' health plans when working. (The health plan must continue to be in effect for current employees.) Generally, group health plans for employers with 20 or more employees in the previous calendar year are subject to COBRA.



Appendix

Covered Entity – Per section 160.103 of the HIPAA Privacy regulations (45 C.F.R. § 160.103), a covered entity is defined as:

- (1) A health plan;
- (2) A health care clearinghouse; or
- (3) A health care provider who transmits any health information in electronic form in connection with a transaction covered by this subchapter.

Creditable Coverage – For the purposes of the HCTC, creditable coverage includes:

- A group health plan (including COBRA, Temporary Continuation of Coverage (TCC), or State continuation coverage)
- Health insurance coverage (including individual coverage, college or school insurance, or short-term limited duration insurance)

HCTC candidates can be required to have had three months of creditable coverage immediately preceding the time that they apply for a qualified health plan. The “immediately” includes a possible break in coverage of up to 62 days. If the break in coverage is more than 62 days, the plan may be able to impose preexisting condition exclusions. Although a Health Plan Administrator can require three months of creditable coverage, it can also waive this requirement.

Displaced Worker – A worker who has been permanently laid off or has received a notice of termination or layoff from employment. Displaced workers who may be eligible for the HCTC became unemployed due to foreign trade and are receiving assistance through the TAA program.

EFT – Electronic Funds Transfer.

Eligible Individual for the HCTC – In general, any eligible TAA recipient, eligible Alternative TAA recipient (ATAA), or an eligible PBGC pension recipient. Eligible recipients must have qualified health coverage and cannot have other specified coverage or be imprisoned. Review the page titled Eligibility under the Individuals section of the www.irs.gov website (IRS keyword “HCTC”) for more information on eligibility requirements.

Eligible Premium Amount – Covers health insurance not otherwise excepted. (For additional information, please see “Excepted Premium Amount” below.)



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Excepted (Ineligible) Premium Amount – Includes health insurance or other coverage options not paid for by the HCTC Program. The following coverage does not qualify for the HCTC:

1. Coverage under a flexible spending or similar arrangement
2. Any insurance if substantially all of the coverage is:
 - a. Accident or disability income insurance (or a combination of the two)
 - b. Liability insurance
 - c. A supplement to liability insurance
 - d. Workers' compensation or similar insurance
 - e. Automobile medical payment insurance
 - f. Credit-only insurance
 - g. Coverage for on-site medical clinics
 - h. Limited scope dental or vision benefits
 - i. Benefits for long-term care, nursing home care, home health care, community-based care (or any combination)
 - j. Coverage only for a specified disease or illness
 - k. Hospital indemnity or other fixed indemnity insurance
 - l. Medicare supplemental insurance, TRICARE supplemental insurance, or other similar supplemental insurance to an employer-sponsored group health plan

FORM 8885 – See IRS Form 8885.

FORM 1099-H – See IRS Form 1099-H.

GRI – General Registration Information Form.

Group Plan – Health coverage sponsored by an employer or employee organization (such as a union) for employees and their eligible dependents. The term “group health plan” is defined in §5000 (b)(1) of the Internal Revenue Code of 1986 as follows: a plan (including a self-insured plan) of, or contributed by, an employer (including a self-employed person) or employee organization to provide health care (directly or otherwise) to employees, former employees, the employer, other associated or formerly associated with the employer in a business relationship, or their families.



Guaranteed Issue – Qualifying individuals must be guaranteed enrollment to a HCTC state-qualified health plan regardless of their medical status and must be permitted to remain enrolled so long as they pay the premiums. In order to be considered a qualifying individual, the individual must either satisfy the following two requirements or be a qualifying family member of an eligible individual who satisfies the following two requirements:

- Have had at least three months of continuous creditable coverage prior to becoming eligible for the HCTC.
- Not have had a break in coverage of over 62 days immediately preceding the time that the individual applies for enrollment with the health plan.

HCTC – Health Coverage Tax Credit.

HCTC Finance & Accounting Representative – The HCTC contact person assigned to an HPA for payment issues.

Health Plan Administrator – An entity that provides, or pays the cost of, medical care. Can include a former employer, COBRA administrator, insurance company, insurance service, or insurance organization (including an HMO) that is licensed to engage in the business of insurance in a state and is subject to state law that regulates insurance.

HIPAA – Health Insurance Portability and Accountability Act of 1996.

HPA – Health Plan Administrator.

Individual Coverage – Individual coverage provided under a contract issued to one individual or family at a time usually requiring evidence of insurability. In order to qualify for the HCTC with individual coverage, participants must have been enrolled in the plan for at least 30 days before they were separated from the job that made them eligible for TRA or for payments from the PBGC.

Ineligible Premium Amount – See Excepted (Ineligible) Premium Amount.

IRS – Internal Revenue Service.



Appendix

IRS Form 8885 – Health Coverage Tax Credit for Eligible Recipients. People eligible for the credit should complete and submit IRS Form 8885 with their federal tax returns in order to claim the HCTC for months they were eligible to claim the credit but did not claim it in advance. The instructions for IRS Form 8885 provide guidance as to who may claim the HCTC. If participants have any questions, they should call the IRS for guidance at 1-800-829-1040.

IRS Form 1099-H – IRS Form 1099-H provides the amount of advance tax credit an individual has received and the months which it was received during a given tax year. This form is used to assist individuals in claiming the tax credit for months which they were eligible but did not receive the advance credit. Participants should call the HCTC Customer Contact Center at 1-866-628-HCTC (1-866-628-4282) for information regarding this form.

National Emergency Grant (NEG) Bridge Grants – Federal grants available to states to assist eligible TAA and PBGC recipients by paying 65 percent of the eligible premiums for qualified health coverage until the advance HCTC payment mechanism for the tax credit becomes available. The grants may also be used to provide additional support services to eligible individuals. States apply to the Department of Labor for these grants.

Option – Health coverage choices available to HCTC participants; generally refers to state-qualified health plans, COBRA, individual (non-group) or spousal coverage.

PAID – Payment Advice Internet Delivery system.

Pension Benefit Guaranty Corporation (PBGC) – The PBGC was created September 2, 1974 as a part of the “Employee Retirement Income Security Act (ERISA) of 1974.” Title IV of ERISA applies to the PBGC. The PBGC is a quasi-government federal agency, which insures the pension benefits of about 44 million working men and women in nearly 40,000 private sector “Defined Benefits Pension Plans.” It does not cover or insure defined contribution plans, 401K, etc. Before a defined benefits pension plan can be cancelled, the PBGC must approve the cancellation.



Appendix

A defined benefits pension plan that does not have enough money to pay benefits may be cancelled if the employer responsible for the plan faces severe financial difficulty, such as bankruptcy, and is unable to maintain the plan. The PBGC then pays pension benefits under the terms of the plan, subject to legal limits, to plan participants and beneficiaries.

PBGC Alternate Payees – PBGC Alternate Payees can be spouses, former spouses, custodial parents of eligible children or other dependents. They are required to submit proof, such as a marriage license, a birth certificate, a baptismal certificate, a death certificate (for a surviving spouse), a divorce decree, a qualified domestic relations order, etc., before PBGC will start paying benefits.

PDR – Payment Detail Report.

Plan – A person’s specific health benefits package or the organization that provides such a package. It may be an HMO, a preferred provider organization, a commercial insurance carrier or a company that self-insures.

Plan Administrator – Can include Health Plan Administrators (HPAs), third party administrators (TPAs), or an employer.

Preexisting Condition Exclusion – Any medical condition, physical or mental, that an individual has before health coverage begins. The cause of the condition does not matter and could be the result of an accident or illness.

During a preexisting condition exclusion period, a group health plan may not pay for treatment related to a preexisting condition. However, it must pay for any unrelated treatments or conditions that the plan covers. Once the exclusion period is over, the health plan must pay for all covered services, including the ones for the preexisting condition.

Premium – The amount an individual pays in exchange for health coverage. An individual’s employer may pay a portion of this amount.

Product – A health insurance category such as HMO, PPO, POS.



Qualified Health Plan – Eligible individuals must be enrolled in qualified health coverage in order to claim the HCTC. The following types of health plans are qualified for purposes of the HCTC Program:

1. State-qualified health plan: consists of health plans the states have qualified for HCTC participants. The coverage must meet the legislative requirements set forth in the Trade Act of 2002.
2. COBRA: This is continuation health insurance coverage provided under the federal Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1985.
3. Individual (non-group) health plan: must have been purchased at least 30 days prior to the date the individual separated from the job that led to the receipt of or qualification for TAA, ATAA, or PBGC benefits.
4. Spousal coverage: coverage under a group plan available through the employment of an eligible individual's spouse. In order for the plan to be qualified for the HCTC Program, the spouse's employer must contribute less than 50 percent of the total cost of coverage. This type of coverage, although allowable under the HCTC legislation, cannot be claimed for the monthly advance tax credit. As a result, HPAs will not receive HCTC payments for this coverage type.

Exceptions: COBRA, state-based continuation coverage, or a special insurance program, which is entered into by the state and an employer and is designed to qualify for the HCTC.

Qualifying Family Member – Qualifying family members are:

1. An HCTC-eligible individual's spouse
2. An HCTC-eligible individual's dependents who can be claimed on the individual's federal tax return. Children of divorced or separated parents are treated as dependents of the custodial parent for the purposes of the HCTC. Non-custodial parents may not claim the credit even if they are entitled to claim the tax exemption for the child or carry the child's health insurance.

Family members are not eligible for the HCTC if they are:

1. Enrolled in a health plan maintained by the participant or the participant's spouse's current or former employer that pays at least 50% of the cost of coverage. Any share of the family member's premium that is paid by the participant or the participant's spouse on a pre-tax basis is considered to have been paid by the employer and must be included as such when determining the percentage of employer coverage.



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2. Entitled to Medicare Part A or enrolled in Medicare Part B.
3. Enrolled in the Federal Employees Health Benefits Program (FEHBP), Medicaid, or State Children's Health Insurance Program (SCHIP).
4. Entitled to health coverage through the U.S. military health system (including CHAMPUS and TRICARE).

Spousal Coverage – Coverage under a group health plan that is available through the employment of the eligible person's spouse. In order for the plan to be qualified for the HCTC Program, the spouse's employer must contribute less than 50% of the total cost of coverage for the spouse, the HCTC eligible person, and any dependents. (At this time, eligible individuals can only claim the credit with this type of coverage when they file their federal income tax return and not in advance, unless it is COBRA coverage.) If the eligible individual qualifies for the HCTC under ATAA, the individual may claim the HCTC to pay for this type of coverage only if the employer does not pay for any portion of the cost of coverage. Exceptions: COBRA, state-based continuation coverage, or a special insurance program, which is entered into by the state and an employer and is designed to qualify for the HCTC.

State-Qualified Health Plan – Health plans that have been qualified by a state Department of Insurance (DOI) as meeting the requirements set forth in the Trade Act of 2002. A list of these plans is submitted to the U.S. Department of the Treasury by the state DOI, and is available at www.irs.gov, IRS keyword "HCTC."

SWA – State Workforce Agencies are responsible for administering TAA and ATAA programs and for sending the HCTC Program the records of individuals who are potentially eligible for the HCTC.

TAA – See Trade Adjustment Assistance.

Third Party Administrator – A person or entity that manages health insurance for an organization, such as processing health care claims, for a self-insured company or group.

TIN – Taxpayer Identification Number. Either a Social Security Number (SSN) or an Employer Identification Number (EIN).

TPA – See Third Party Administrator.



Appendix

Trade Adjustment Assistance (TAA) – A benefit for those workers who lose their jobs or whose hours of work and wages are reduced as a result of increased imports. Worker groups must apply to the Department of Labor to have their employees certified as TAA-eligible. TAA includes a variety of benefits and re-employment services to help unemployed workers prepare for and obtain suitable employment. Workers may receive assistance in skill assessment, job search workshops, job development/referral and job placement. In addition, workers may be eligible for training, job search allowance, relocation allowance and other reemployment services. Weekly Trade Readjustment Allowance (TRA) may be payable to eligible workers following their exhaustion of unemployment benefits. Usually, TRA benefits will be paid only if an individual is enrolled in a TAA-approved training program.

Trade Adjustment Assistance Reform Act of 2002 – Additional information about this law can be found on the Department of Labor’s website, www.doleta.gov, search term “Trade Act.”

Trade Readjustment Allowances (TRA) – Additional information about these allowances can be found on the Department of Labor’s website, www.doleta.gov, search term “Trade Readjustment.”



Appendix

Contact Information

If you have a Health Coverage Tax Credit (HCTC) account, please call your assigned Finance & Accounting Representative.

If you do not have an HCTC account or are uncertain whom to contact, call the HCTC Customer Contact Center and the appropriate person will return your call.

HCTC Customer Contact Center

Toll free at 1-866-628-HCTC (1-866-628-4282)

TDD/TTY callers, please call 1-866-626-HCTC (1-866-626-4282)

Hours of operation: 7:00 am to 7:00 pm (CST), Monday through Friday

NOTE: If you wish to refer participants to the HCTC Program, please provide the HCTC Customer Contact Center number to them. HCTC Finance & Accounting Representatives are only able to answer HPA inquiries.

Additional resources:

IRS HCTC Program information: www.irs.gov, IRS keyword "HCTC"

PAID e-mail inquires: HCTCPAID@irs.gov

PAID Helpdesk at (512) 342-7222



IRS Authorization of Contractor

This notice is provided for your information. Accenture has been retained by the IRS to serve as its agent to assist in administering the HCTC Program.



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
ATLANTA, GA 30308

July 20, 2004

RE: IRS Authorization of Accenture as Agent

To Whom It May Concern:

The Department of the Treasury has directed the Internal Revenue Service (IRS) to implement and administer the Health Coverage Tax Credit (HCTC) Program. This program allows individuals impacted by the Federal Trade Act of 2002, or individuals who are receiving benefit payments from the Pension Benefit Guaranty Corporation (PBGC), to receive an advance tax credit on a monthly basis in the form of a payment to their insurance providers. Sections 201 and 202 of the Trade Act of 2002 created the credit and the advance payment component. The credit can be as much as 65% of an individual's qualified monthly health insurance premium, and can make the difference between an individual retaining and losing health care coverage.

In order to administer advance payment of the tax credit, the IRS may request your cooperation as a health plan administrator to supply us with some key information. This information allows us to make timely HCTC-qualified premium payments on behalf of eligible individuals directly to you. The IRS retained Accenture as its agent in implementing the HCTC Program. We request you provide Accenture the information required to allow individuals under your coverage to benefit from the advance tax credit program.

The IRS will maintain the information about individuals who may be eligible for the HCTC Program, including information provided by you, in a system of records, subject to the Privacy Act and the IRS tax information and confidentiality statute (26 U.S.C. § 6103). By contract with the IRS, Accenture must comply with the terms of the Privacy Act and 26 U.S.C. § 6103. This means Accenture will treat as confidential, the information it obtains about individuals who may be eligible for the HCTC Program. Accenture will disclose such information only as allowed by law and only to the extent necessary to administer the HCTC Program.

The IRS monitors the performance of Accenture to ensure confidential information about individuals and companies is protected from unauthorized disclosure.

Accenture may ask you for the information or assistance in the following situations:

1. The HCTC Program may need clarification on health insurance premium invoices for people who are eligible for the tax credit. As part of the registration process, the HCTC Program asks individuals to provide a copy of their premium invoice. If invoice clarification is necessary, the HCTC Program may need to contact you. This information may include, but is not limited to, your members' Social Security Numbers.
2. The HCTC Program provides state-qualified plan information to HCTC-eligible individuals. This information is limited to your contact telephone number, mailing address for inquiries, and if available, a website address. This information will be posted on the IRS website and shared by our customer service representatives with callers.



Appendix

3. To receive premium payments for HCTC Program participants who are your customers, please enroll with the HCTC Program. This can be accomplished by completing the following steps:
 - a. Sign up to receive payment by Electronic Funds Transfer (EFT) by completing the Automated Clearing House (ACH) Vendor/Miscellaneous Payment Enrollment Form and the General Registration Information (GRI) Form. Making electronic payments ensures timely, accurate payments and reduces the risk of payments being misdirected within the HPA's organization.
 - b. Provide the following to the HCTC Finance & Accounting Center:
 - i. Employee Identification Number (EIN)
 - ii. Bank account number and bank account routing information
 - iii. Sample of a participant invoice

Additional information about the HCTC Program, including the HCTC HIPAA statement, is available online at www.irs.gov, IRS keyword "HCTC." You can also call the HCTC Customer Contact Center at 1-800-628-HCTC (1-800-628-4282).

Thank you for your cooperation in this matter. If you have any questions, please contact me at (202) 962-0763.

Sincerely,

Keith V. Taylor
Director, Health Coverage Tax Credit Program



HCTC Program HIPAA Statement and Disclaimer

Purpose of the Health Coverage Tax Credit (HCTC)

The HCTC Program is an administrative component of the Internal Revenue Service (IRS), established pursuant to the authority granted to the Secretary of the U.S. Department of the Treasury under I.R.C. §§ 35 & 7527. The primary function of the HCTC Program is to assist eligible individuals in paying for their health care insurance costs. The HCTC is an advance as well as year-end tax credit covering 65% of the eligible premium for eligible individuals to obtain qualified health insurance coverage. The individual is responsible for 35% of the premium. Eligible individuals are comprised of two main groups: (1) displaced workers receiving Trade Adjustment Assistance (TAA) benefits, and (2) Pension Benefit Guaranty Corporation (PBGC) pension recipients aged 55 and over.

The HCTC Program involves a considerable number of federal agencies, state workforce agencies, state insurance agencies, employers and third party administrators, Health Plan Administrators (HPAs), and contractors. Federal agency participants include the Financial Management Service (FMS), Department of Health and Human Services, Department of Labor, and PBGC. Several private contractors including Accenture, U.S. Bank, and others have been retained by the IRS and FMS to assist the Federal Government in its implementation of the HCTC Program. Each entity is involved in providing others with information concerning the HCTC, such as individuals' eligibility, premium amount, plan, and payment certification.

How the HCTC Program Obtains and Uses Data

In order to operate, the HCTC Program receives data on a routine basis from state workforce agencies (SWA) containing lists of Trade Adjustment Assistance (TAA) and Alternative TAA (ATAA) eligible individuals. It also receives similar data from the Pension Benefit Guaranty Corporation (PBGC) for HCTC-eligible participants. Additional information is collected by the HCTC Program from eligible individuals and HPAs. The information requested and collected is the minimum necessary to administer the HCTC Program. Administering the program includes, but is not limited to, processing and sending premium payments to HPAs on behalf of registered individuals in



the HCTC Program. Generally, the HCTC Program gathers name, address, date of birth, tax ID number, insurance company name and policy number, member ID, type of insurance, premiums paid, and other information contained in the payment voucher or Consolidated Omnibus Budget Reconciliation Act (COBRA) election letter submitted by the eligible individual.

HCTC's HIPAA Covered Entity Status

Members of the HCTC Program team met separately with Department of Health and Human Services representatives at both the Office of Civil Rights (OCR) and the Centers for Medicare and Medicaid Services (CMS) to discuss the role that the HCTC has in complying with the new Health Insurance Portability and Accountability Act (HIPAA) Administrative Simplification rules. OCR is responsible for implementing and enforcing the HIPAA privacy rule. CMS is responsible for implementing and enforcing the security standards, transactions standards, and other HIPAA administrative simplification provisions, except for the privacy standards.

After careful consultation with both offices early in 2003, it was determined that the HCTC Program is not a "covered entity" under the Administrative Simplification rules of HIPAA. Therefore, HCTC is not bound by the HIPAA rules regarding privacy, security, transactions and code sets, and individual identifiers.

Specifically, the HCTC Program does not meet the HIPAA definition of a covered entity: health plan, health care clearinghouse, and/or health care provider who transmits any health information in electronic form concerning a standard "transaction." The HCTC Program is not considered a business associate to HPAs participating in the program, nor are HPAs acting as business associates to the HCTC Program. By definition, the HCTC Program is acting on its own behalf and currently does not act as an entity performing a function for or assisting health plans with a function or activity involving the use or disclosure of individually identifiable health information.

Transactions and Communications with the HCTC Program

HIPAA permits HPAs to communicate eligibility and payment information as part of its treatment, payment, and health care operations.* The disclosures of this information



Appendix

to the HCTC Program are necessary for payment purposes. As such, they do not require an authorization from the individual, nor do they require HPAs to maintain an accounting of these disclosures.** This statement does not preclude the reciprocal communication between Health Plan Administrators and the HCTC Program regarding eligibility status (active and inactive) and processing of premium payments. For instance, the HCTC Program needs data from HPAs that indicates which individuals are no longer enrolled with them so that the office can update its systems and withhold payments for that individual. If the HCTC Program requires protected information from a covered entity as those terms are defined under HIPAA Privacy Rules, the program office will work directly with the covered entity to assure that any information released satisfies the minimum necessary standard under HIPAA.***

HPAs should be assured that although the HCTC Program is not technically a covered entity, it has agreed to treat all information exchanges between its program office and HPAs or other coverage providers regarding individual information in a manner that complies with applicable federal privacy and security standards. The HCTC Program office is required by I.R.C. § 6103 to ensure that all taxpayer information is kept private and secure. Information pertaining to participants that is received by the HCTC Program office from coverage providers is not disclosed to any outside party nor used for any purpose inconsistent with I.R.C. § 6103.

When the advance tax credit program was implemented on August 1, 2003, the HCTC Program office was not able to support HIPAA EDI transactions. This includes Premium Payment (820), Benefit Enrollment and Maintenance (834) and Eligibility Inquiry and Response (270/271) transactions. The decision not to support these transaction types was made due to the unlikely early adoption by stakeholders of the HIPAA transaction formats by August 1, 2003. (The compliance date for HIPAA Transactions and Code Sets was October 16, 2003.) Our current approach is to eventually interact with our stakeholders in a HIPAA-compliant fashion. HPAs should be assured that the HCTC Program is implementing processes and transactions that are standard in the industry.



Appendix

As the program evolves, we will continue to monitor and evaluate the HCTC Program HIPAA status. We will update this statement should our status regarding HIPAA change.

Officials from IRS have reviewed and approved this statement. IRS officials have also consulted with HHS regarding this statement. All parties have agreed that these assurances are consistent with HCTC Program objectives.

Footnotes:

- * The information in this section is referenced from the HIPAA Privacy Rule. Refer to section 164.501 for the definition of health care operations and payment, and section 164.506 for information regarding uses and disclosures to carry out treatment, payment or health care operations.
- ** See sections 164.506 and 164.528 (a) of the HIPAA Privacy Rule.
- *** See sections 164.502(b) and 164.514(d) of the HIPAA Privacy Rule.

Form **3881**
(September 2004)

Department of the Treasury — **Internal Revenue Service**
ACH VENDOR/MISCELLANEOUS PAYMENT
ENROLLMENT FORM

OMB No.
1510-0056

(See Instructions on Page 2)

This form is used for Automated Clearing House (ACH) payments with an addendum record that contains payment-related information processed through the Direct Deposit Program. Recipients of these payments should bring this information to the attention of their financial institution when presenting this form for completion.

PAPERWORK REDUCTION ACT NOTICE. We ask for the information on this form to carry out the Internal Revenue laws of the United States. Your response is voluntary. You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by code section 6103. The estimated average time to complete this form is 15 minutes. If you have comments concerning the accuracy of this time estimate or suggestions for making this form simpler, we will be happy to hear from you. You can write to the Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, Washington, DC 20224.

PRIVACY ACT STATEMENT. The following information is provided to comply with the Privacy Act of 1974 (P.L. 93-579). All information collected on this form is required under the provisions of 31 U.S.C. 3322 and 31 CFR 210. This information will be used by the Treasury Department to transmit payment data, by electronic means to vendor's financial institution. Failure to provide the required information may delay or prevent the receipt of payments through the Automated Clearing House Payment System.

1. AGENCY INFORMATION

FEDERAL PROGRAM AGENCY:

INTERNAL REVENUE SERVICE (HCTC)

AGENCY IDENTIFIER:

KC99

AGENCY LOCATION CODE (ALC):

20090004

ACH FORMAT:

CCD+

ADDRESS:

**BECKLEY FINANCE CENTER
P.O. BOX 9002
BECKLEY, WV 25802-9002**

CONTACT PERSON NAME:

VENDOR CODE COORDINATORS

TELEPHONE NUMBER:

(304) 256-6000

FAX NUMBER:

(304) 256-6033

2. PAYEE/COMPANY INFORMATION

NAME:

SSN OR TAXPAYER ID NUMBER:

ADDRESS:

CONTACT PERSON NAME:

TELEPHONE NUMBER:

3. FINANCIAL INSTITUTION INFORMATION

NAME:

ADDRESS (optional):

CONTACT AT FINANCIAL INSTITUTION (optional):

TELEPHONE NUMBER:

NINE-DIGIT ROUTING TRANSIT NUMBER

DEPOSITOR ACCOUNT NUMBER

TYPE OF ACCOUNT

CHECKING

SAVINGS

SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL

TELEPHONE NUMBER:

Instructions for Completing Automated Clearing House (ACH) Vendor/Miscellaneous Payment Enrollment Form

The ACH Vendor/Miscellaneous Payment Enrollment Form is a standard form used by the Internal Revenue Service to establish Automated Clearing House (ACH) payments, also referred to as Electronic Funds Transfers (EFTs).

- 1. AGENCY INFORMATION SECTION** – Contains the name and address of the Federal program agency originating the vendor/miscellaneous payment, agency identifier, agency location code, contact person name and telephone number of the agency and the ACH format.
- 2. PAYEE/COMPANY INFORMATION SECTION** – Print or type the name of the payee/company and address that will manage ACH vendor/miscellaneous payments, social security or taxpayer ID number (may also be referred to as the employer identification number), contact person and telephone number of the payee/company. Payee also verifies depositor account number and type of account entered by your financial institution in the Financial Institution Information Section.
- 3. FINANCIAL INSTITUTION INFORMATION SECTION** – Print or type the name and address of the payee/company's financial institution that will receive the ACH payment, ACH coordinator name and telephone number, nine-digit routing transit number, depositor (payee/company) account number and type of account. Signature, title, and telephone number of the appropriate financial institution official is included.

***Note:** If the designated Payee/Company contact person knows all of the requested bank information, the Payee/Company contact may complete the Financial Institution Information Section. There is no requirement for a bank official signature.*

Burden Estimate Statement

The estimated average burden associated with this collection of information is 15 minutes per respondent or record keeper, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave., NW, Washington, DC 20224 or the Office of Management and Budget, Paperwork Reduction Project (1510-0056), Washington, DC 20503.

Fax the ACH Vendor/Miscellaneous Form to:

Internal Revenue Service
HCTC Finance and Accounting Center
Attn: Systems Control Team
Fax Number: 1-800-675-9602

Form **13562**
(September 2004)

Department of the Treasury — **Internal Revenue Service**
HEALTH COVERAGE TAX CREDIT (HCTC)
GENERAL REGISTRATION INFORMATION FORM
(See Instructions on Page 2)

The HCTC General Registration Information Form is a standard form used by the HCTC Program to collect required information in addition to the U.S. Department of the Treasury's ACH Vendor/Miscellaneous Payment Enrollment Form.

(*) Denotes a required field

(#x.) Indicates corresponding explanations on prior page

***1. ADDITIONAL COMPANY INFORMATION**

*1a. LEGAL NAME:

*1b. LEGAL ADDRESS:

*1c. EIN/TIN (ASSOCIATED WITH LEGAL NAME):

1d. D-U-N-S:

1e. D-U-N-S +4:

*1f. INVOICE REMIT TO ADDRESS:

ATTN:

1g. HPA CONTACT NAME:

1h. HPA CONTACT MAILING ADDRESS:

HPA CONTACT TELEPHONE NUMBER:

HPA CONTACT FAX NUMBER:

HPA CONTACT EMAIL:

Are you licensed to operate in any states? If so, which states?

***2. PAYMENT REMITTANCE ADVICE CONTACT**

NAME:

ADDRESS:

TELEPHONE NUMBER:

FAX NUMBER:

E-MAIL:

***3. SIGN-OFF BY AUTHORIZED OFFICIAL**

SIGNATURE:

PRINT/TYPE NAME:

DATE:

TITLE:

Instructions for Completing Health Coverage Tax Credit (HCTC) General Registration Information Form

The HCTC General Registration Information Form is a standard form used by the HCTC Program to collect required information in addition to the Treasury Department's ACH Vendor/Miscellaneous Enrollment Form.

- 1. ADDITIONAL COMPANY INFORMATION SECTION** – Print or type the name and address of the enrolling company, EIN/TIN number, D-U-N-S Number (if applicable), D-U-N-S+4 (if applicable), invoice remit to address, and contact information for the HPA contact.
 - a. *Legal Name*: Must be the same as the name indicated on the Payee/Company Information field of the ACH Vendor/Miscellaneous Payment Enrollment Form.
 - b. *Legal Address*: Must be the same as the address indicated on the Payee/Company Information field of the ACH Vendor/Miscellaneous Payment Enrollment Form.
 - c. *EIN/TIN (Employer Identification Number/Taxpayer Identification Number)*: The EIN/TIN provided must be the EIN/TIN associated with the Legal Name of the business. The information provided in this field should also be the same information provided on the Automated Clearing House (ACH) Form in the "SSN or Taxpayer ID Number" field.
 - d. *D-U-N-S (Data Universal Numbering System)*: If your business has a D-U-N-S number, please provide this information. Providing a D-U-N-S Number is optional.
 - e. *D-U-N-S +4 (Data Universal Numbering System Plus 4)*: The use of D-U-N-S +4 numbers to identify vendors is limited to identifying different CCR records for the same vendor at the same physical location. For example, a vendor could have two records for themselves at the same physical location to identify two separate bank accounts. If you have questions regarding the use of D-U-N-S +4 please contact the CCR Assistance Center at 1-888-227-2423. HPAs wishing to register their subsidiaries and other entities should ensure that each additional location obtains a separate D-U-N-S number from D&B at 1-866-705-5711.

If your business has determined that D-U-N-S +4 is necessary, please provide the bank account number, routing number, and remit to address associated with the D-U-N-S +4 Number. If your business has determined that more than one D-U-N-S +4 is necessary, please make a copy of this form and provide the additional D-U-N-S +4, bank account number, routing number, and remit to address. For questions regarding the use of D-U-N-S +4, please contact the CCR Assistance Center at 1-888-227-2423.
 - f. *Invoice Remit To Address*: The invoice remit to address appears on invoices and is associated with the bank account holder. If there are multiple remit to addresses, please provide those on a separate sheet.
 - g. *HPA (Health Plan Administrator) Contact Name*: The company representative whom the IRS HCTC Finance and Accounting representative should work with on HCTC related matters.
 - h. *HPA Contact Mailing Address*: The mailing address for the individual identified in field (g). The HPA Contact Mailing Address could also be the same as the Legal Address in field (b). If this is the case, please indicate as such.
- 2. PAYMENT REMITTANCE ADVICE CONTACT SECTION** – Should contain the contact information for the person who will receive the payment remittance advice. If any of the information is the same as the HPA Contact, please indicate as such.
- 3. SIGN-OFF BY AUTHORIZED OFFICIAL SECTION** – Signed by the individual who is authorized by their company to provide the information requested on the form. Print or type the name of the individual, title, and the current date.

Fax the HCTC General Registration Information Form to:

HCTC Finance and Accounting Center
Attn: Systems Control Team
Fax Number: 1-800-675-9602

Department of the Treasury — Internal Revenue Service
**Health Plan Administrator (HPA)
Return of Funds Form**

Instructions for Returning Funds

1. Contact your Finance & Accounting Representative and inform them of the pending return.
2. Complete the HPA Return of Funds Form and send it with your payment. **This form MUST accompany all returned funds, in order to ensure proper handling.**
3. Return funds by using one of the following applicable options:
 - **Reversal of an EFT transaction:**
Notify your bank that you wish to reject the EFT and request that they reverse the transaction back to the U.S. Department of Treasury, *and*
Send this form by FAX to:
Internal Revenue Service
HCTC Finance & Accounting Center
Attn: General Accounting & Reporting
Fax Number: 1-800-675-9502
 - **Return a U.S. Department of Treasury issued check:**
Attach the check to this form and MAIL to:
Internal Revenue Service
Beckley Finance Center
P.O. Box 9002
Beckley, WV 25802-9002
 - **Send an HPA issued check:**
Make check payable to **US Treasury**.
Reference the code "**Acct. 100000000**" in the memo field of the check, *and*
Attach the check to this form and MAIL to:
US Treasury – HCTC
P.O. Box 970023
St. Louis, MO 63197

** You may return funds for **multiple individuals** by completing one of the following options: (1) Send separate checks and a single, completed HPA Return of Funds Form for each individual. (2) Send one bulk payment and attach a detailed list that describes how the bulk payment should be allocated. This list **MUST** include the information requested on the HPA Return of Funds Form for each individual, for whom you are returning funds.*

PAPERWORK REDUCTION ACT NOTICE. We ask for the information on this form to carry out the Internal Revenue laws of the United States. Your response is voluntary. You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by code section 6103. The estimated average time to complete this form is 15 minutes. If you have comments concerning the accuracy of this time estimate or suggestions for making this form simpler, we will be happy to hear from you. You can write to the Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, Washington, DC 20224.

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Returned Funds Details

Participant Name: _____

Participant SSN: _____

Plan/Group ID: _____

Amount of Returned Funds _____

Reason for Returned Funds: _____