



ON THE **Move**



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Third Party Payments and Exceptions

Alliant does not accept premium payments from health care providers, closely-related affiliates of health care providers, private health care foundations (for profit or non-profit) or any other third party.

Types of Exceptions

Specific Organizations

CMS regulations require Alliant to accept payments from Indian tribes, tribal organizations, urban Indian organizations, state and federal government programs and the Ryan White HIV/AIDS program.

State or Federal Grants

Only providers or agencies administering a state or federal grant may submit third party premium payments. Providers or agencies may be required to submit a state or federal grant number to facilitate an Open Records or Freedom of Information Act request in order to confirm that the provider or agency is administering a state grant.

The Centers for Medicare and Medicaid Services (CMS) provides guidance to issuers of Qualified Health Plans (QHPs) on the Healthcare Marketplace regarding third party payment of premiums.

The Department of Health and Human Services (HHS) has broad authority to regulate the Federal and State Marketplaces (e.g., section 1321(a) of the Affordable Care Act). It has been suggested that hospitals, other healthcare providers, and other commercial entities may be considering supporting premium payments and cost-sharing obligations with respect to qualified health plans purchased by patients in the Marketplaces. HHS has significant concerns with this practice because it could skew the insurance risk pool and create an unlevel field in the Marketplaces. HHS discourages this practice and encourages issuers to reject such third party payments. HHS intends to monitor this practice and to take appropriate action, if necessary." ([CMS November 4, 2013 memorandum to issuers of health insurance plans on the Healthcare Marketplace regarding Third Party Payments of Premiums for Qualified Health Plans.](#))

Business Payment of Individual Policies

Due to explicit IRS prohibition, employers may not pay for employee's individual insurance coverage.

Businesses may only make premium payments on individual policies if the insured is one of the following:

- Business owner
- Business partner
- Immediate relative of owner or partner (to include father, mother, sibling, child, grandfather, grandmother, aunt, uncle, first cousin or legal guardian)

Please consult a tax advisor regarding the deductibility of such payments. Alliant is not liable for any payments made to Alliant which are later determined to adversely affect tax liability.

In order to qualify for the above mentioned exception, please provide proof ownership or partnership in the business.

Acceptable proofs include:

- LLC operating agreement including your name as a member
- Tax Identification verification letter from the IRS with indication of the responsible party for the Tax Identification Number
- Articles of Incorporation identifying members of the corporation

For questions, please contact your Broker Relations Representative at 877-668-1015 or call Customer Service at 800-811-4793.