

(3) Limitations on liens and levies

The Secretary (or, if applicable, the Attorney General of the United States) shall not—

(A) file notice of lien with respect to any property of a person by reason of any failure to pay the penalty imposed by this subsection; or

(B) levy on any such property with respect to such failure.

(i) Study of administration of employer responsibility**(1) In general**

The Secretary of Health and Human Services shall, in consultation with the Secretary of the Treasury, conduct a study of the procedures that are necessary to ensure that in the administration of this title¹ and section 4980H of title 26 (as added by section 1513)¹ that the following rights are protected:

(A) The rights of employees to preserve their right to confidentiality of their taxpayer return information and their right to enroll in a qualified health plan through an Exchange if an employer does not provide affordable coverage.

(B) The rights of employers to adequate due process and access to information necessary to accurately determine any payment assessed on employers.

(2) Report

Not later than January 1, 2013, the Secretary of Health and Human Services shall report the results of the study conducted under paragraph (1), including any recommendations for legislative changes, to the Committees on Finance and Health, Education, Labor and Pensions of the Senate and the Committees of⁴ Education and Labor and Ways and Means of the House of Representatives.

(Pub. L. 111-148, title I, §1411, Mar. 23, 2010, 124 Stat. 224; Pub. L. 114-255, div. C, title XVIII, §18001(a)(6)(B), Dec. 13, 2016, 130 Stat. 1342.)

Editorial Notes**REFERENCES IN TEXT**

Sections 36B(c)(2)(C) and 5000A(e)(2) of title 26, section 6103(l)(21) of title 26, and section 5000A of title 26, referred to in subsecs. (a)(3) and (b)(3)(A), (5), were in the original “sections 36B(c)(2)(C) and 5000A(e)(2)”, “section 6103(l)(21)”, and “section 5000A”, respectively, and were translated as if they had been followed by “of the Internal Revenue Code of 1986”, to reflect the probable intent of Congress.

This title, referred to in subsecs. (f)(2)(B) and (i)(1), is title I of Pub. L. 111-148, Mar. 23, 2010, 124 Stat. 130, which enacted this chapter and enacted, amended, and transferred numerous other sections and notes in the Code. For complete classification of title I to the Code, see Tables.

Section 1513, referred to in subsec. (i)(1), means section 1513 of Pub. L. 111-148.

AMENDMENTS

2016—Subsec. (b)(3)(B), (C). Pub. L. 114-255 added subpar. (B) and redesignated former subpar. (B) as (C).

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 2016 AMENDMENT**

Amendment by Pub. L. 114-255 applicable to applications for enrollment made after Dec. 31, 2016, see section 18001(a)(7)(F) of Pub. L. 114-255, set out in a note under section 36B of Title 26, Internal Revenue Code.

VERIFICATION OF HOUSEHOLD INCOME AND OTHER QUALIFICATIONS FOR THE PROVISION OF ACA PREMIUM AND COST-SHARING SUBSIDIES

Pub. L. 113-46, div. B, §1001, Oct. 17, 2013, 127 Stat. 566, provided that:

“(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of Health and Human Services (referred to in this section as the ‘Secretary’) shall ensure that American Health Benefit Exchanges verify that individuals applying for premium tax credits under section 36B of the Internal Revenue Code of 1986 [26 U.S.C. 36B] and reductions in cost-sharing under section 1402 of the Patient Protection and Affordable Care Act (42 U.S.C. 18071) are eligible for such credits and cost sharing reductions consistent with the requirements of section 1411 of such Act (42 U.S.C. 18081), and, prior to making such credits and reductions available, the Secretary shall certify to the Congress that the Exchanges verify such eligibility consistent with the requirements of such Act [Pub. L. 111-148, see Tables for classification].

“(b) REPORT BY SECRETARY.—Not later than January 1, 2014, the Secretary shall submit a report to the Congress that details the procedures employed by American Health Benefit Exchanges to verify eligibility for credits and cost-sharing reductions described in subsection (a).

“(c) REPORT BY INSPECTOR GENERAL.—Not later than July 1, 2014, the Inspector General of the Department of Health and Human Services shall submit to the Congress a report regarding the effectiveness of the procedures and safeguards provided under the Patient Protection and Affordable Care Act for preventing the submission of inaccurate or fraudulent information by applicants for enrollment in a qualified health plan offered through an American Health Benefit Exchange.”

§ 18082. Advance determination and payment of premium tax credits and cost-sharing reductions**(a) In general**

The Secretary, in consultation with the Secretary of the Treasury, shall establish a program under which—

(1) upon request of an Exchange, advance determinations are made under section 18081 of this title with respect to the income eligibility of individuals enrolling in a qualified health plan in the individual market through the Exchange for the premium tax credit allowable under section 36B of title 26 and the cost-sharing reductions under section 18071 of this title;

(2) the Secretary notifies—

(A) the Exchange and the Secretary of the Treasury of the advance determinations; and

(B) the Secretary of the Treasury of the name and employer identification number of each employer with respect to whom 1 or more employee¹ of the employer were determined to be eligible for the premium tax credit under section 36B of title 26 and the cost-sharing reductions under section 18071 of this title because—

(i) the employer did not provide minimum essential coverage; or

⁴ So in original. Probably should be “on”.

¹ So in original. Probably should be “employees”.

(ii) the employer provided such minimum essential coverage but it was determined under section 36B(c)(2)(C) of title 26 to either be unaffordable to the employee or not provide the required minimum actuarial value; and

(3) the Secretary of the Treasury makes advance payments of such credit or reductions to the issuers of the qualified health plans in order to reduce the premiums payable by individuals eligible for such credit.

(b) Advance determinations

(1) In general

The Secretary shall provide under the program established under subsection (a) that advance determination of eligibility with respect to any individual shall be made—

(A) during the annual open enrollment period applicable to the individual (or such other enrollment period as may be specified by the Secretary); and

(B) on the basis of the individual's household income for the most recent taxable year for which the Secretary, after consultation with the Secretary of the Treasury, determines information is available.

(2) Changes in circumstances

The Secretary shall provide procedures for making advance determinations on the basis of information other than that described in paragraph (1)(B) in cases where information included with an application form demonstrates substantial changes in income, changes in family size or other household circumstances, change in filing status, the filing of an application for unemployment benefits, or other significant changes affecting eligibility, including—

(A) allowing an individual claiming a decrease of 20 percent or more in income, or filing an application for unemployment benefits, to have eligibility for the credit determined on the basis of household income for a later period or on the basis of the individual's estimate of such income for the taxable year; and

(B) the determination of household income in cases where the taxpayer was not required to file a return of tax imposed by this chapter for the second preceding taxable year.

(c) Payment of premium tax credits and cost-sharing reductions

(1) In general

The Secretary shall notify the Secretary of the Treasury and the Exchange through which the individual is enrolling of the advance determination under section 18081 of this title.

(2) Premium tax credit

(A) In general

The Secretary of the Treasury shall make the advance payment under this section of any premium tax credit allowed under section 36B of title 26 to the issuer of a qualified health plan on a monthly basis (or such other periodic basis as the Secretary may provide).

(B) Issuer responsibilities

An issuer of a qualified health plan receiving an advance payment with respect to an individual enrolled in the plan shall—

(i) reduce the premium charged the insured for any period by the amount of the advance payment for the period;

(ii) notify the Exchange and the Secretary of such reduction;

(iii) include with each billing statement the amount by which the premium for the plan has been reduced by reason of the advance payment; and

(iv) in the case of any nonpayment of premiums by the insured—

(I) notify the Secretary of such nonpayment; and

(II) allow a 3-month grace period for nonpayment of premiums before discontinuing coverage.

(3) Cost-sharing reductions

The Secretary shall also notify the Secretary of the Treasury and the Exchange under paragraph (1) if an advance payment of the cost-sharing reductions under section 18071 of this title is to be made to the issuer of any qualified health plan with respect to any individual enrolled in the plan. The Secretary of the Treasury shall make such advance payment at such time and in such amount as the Secretary specifies in the notice.

(d) No Federal payments for individuals not lawfully present

Nothing in this subtitle or the amendments made by this subtitle allows Federal payments, credits, or cost-sharing reductions for individuals who are not lawfully present in the United States.

(e) State flexibility

Nothing in this subtitle or the amendments made by this subtitle shall be construed to prohibit a State from making payments to or on behalf of an individual for coverage under a qualified health plan offered through an Exchange that are in addition to any credits or cost-sharing reductions allowable to the individual under this subtitle and such amendments.

(Pub. L. 111-148, title I, § 1412, Mar. 23, 2010, 124 Stat. 231.)

Editorial Notes

REFERENCES IN TEXT

This subtitle, referred to in subsecs. (d) and (e), is subtitle E (§§1401-1421) of title I of Pub. L. 111-148, which enacted this subchapter and sections 36B and 45R of Title 26, Internal Revenue Code, amended section 405 of this title, sections 38, 196, 280C, 6103, and 7213 of Title 26, and section 1324 of Title 31, Money and Finance, and enacted provisions set out as notes under sections 36B and 38 of Title 26. For complete classification of subtitle E to the Code, see Tables.

§ 18083. Streamlining of procedures for enrollment through an Exchange and State Medicaid, CHIP, and health subsidy programs

(a) In general

The Secretary shall establish a system meeting the requirements of this section under which