



RON DESANTIS
GOVERNOR

SIMONE MARSTILLER
SECRETARY

June 23, 2021

Statewide Medicaid Managed Care (SMMC) Policy Transmittal: 2021-22

Applicable to the **2018-2023 SMMC contract benefits** for:

- Managed Medical Assistance (MMA) and MMA Specialty
- Long-Term Care (LTC)
- Dental

Re: Health Insurance Provider Fee (IRS Form 8963)

Pursuant to Section 26 CFR Part 57 (2013) (the applicable regulations providing guidance to section 9010 of the ACA), the managed care plan is required to pay the Health Insurance Provider Fee annually. The Agency will pay the portion of this fee specifically related to the managed care plan's performance of the contract with an adjustment related to the federal and state income tax impact of this fee using the methodology described in the contract under the conditions listed in the contract. The entity which comprises the managed care plan of which the managed care plan is a part and which is required to submit the IRS Form 8963 pursuant to the above mentioned federal regulations (referred to hereinafter as the "Reporting Plan") must submit to the Agency a copy of the IRS Form 8963 submitted to the IRS by April 15 after each year for which it intends to be reimbursed. (MMA: Attachment II, Exhibit II-A, Section XI.C.5.a.(1)) The Reporting Plan must submit to the Agency a copy of the IRS Notice of final fee calculation (as described in 26 CFR s. 57.7) by September 5 after each year for which it intends to be reimbursed. (MMA: Attachment II, Exhibit II-A, Section XI.C.5.a.(2)) The Agency must pay the portion of this fee specifically related to the dental plan's performance of this contract with an adjustment related to the federal and state income tax impact of this fee using the methodology described below under the following conditions: (a) The entity which comprises the dental plan or of which the dental plan is a part and which is required to submit the IRS Form 8963 pursuant to the above mentioned federal regulations (referred to hereinafter as the "Reporting Plan") must submit to the Agency a copy of the IRS Form 8963 submitted to the IRS by April 15 after each year for which it intends to be reimbursed. (Dental: Attachment II, Section XI.C.1.e.(1)(a)) The Reporting Plan must submit to the Agency a copy of the IRS Notice of final fee calculation (as described in 26 CFR s. 57.7) by September 5 after each year for which it intends to be reimbursed. (Dental: Attachment II, Section XI.C.1.e.(1)(b)) The purpose of this policy transmittal is to notify the managed care plan and the dental plan of a change in these requirements.

The [Further Consolidated Appropriations Act, 2020, Division N, Subtitle E § 502](#), signed into law on December 20, 2019, repealed the annual fee on health insurance providers for calendar years beginning after December 31, 2020 and the Internal Revenue Services (IRS) suspended the Health Insurance Provider Fee. Effective January 1, 2021, the managed care plan and the dental plan are no longer required to submit a copy of their IRS Form 8963 to the Agency by April 15th each year or to submit a copy of their IRS notice of final fee calculation to the Agency by September 5th each year.



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If you have questions or concerns, please contact your Agency contract manager.

Sincerely,

A handwritten signature in blue ink that reads "Tom Wallace". The signature is written in a cursive style with a large initial "T".

Tom Wallace
Deputy Secretary for Medicaid

TW/sar