



1700 NORTH MOORE STREET
SUITE 2250
ARLINGTON, VA 22209
T (703) 841-2300 F (703) 841-1184
WWW.RILA.ORG

June 11, 2012

Internal Revenue Service
Room 5203
P.O. Box 7604
Washington, D.C. 20224

Center for Consumer Information & Insurance Oversight
U.S. Department of Health and Human Services
P.O. Box 7604
Baltimore, MD 21244-8010

ATTN:

CC:PA:LPD:PR (Notice 2012-31)
CC:PA:LPD:PR (Notice 2012-32)
CC:PA:LPD:RU (Notice 2012-33)

Sent via email:

Notice.Comments@irs.counsel.treas.gov
EmployerCoverageBulletin@cms.hhs.gov

The Retail Industry Leaders Association (RILA) welcomes the opportunity to provide comments on Notice 2012-31, Notice 2012-32, Notice 2012-33, and the Verification of Access to Employer-Sponsored Coverage Bulletin. RILA member companies and the RILA-led Employers for Flexibility in Health Care (EFHC) Coalition appreciate the Administration's willingness to work constructively with employers of all sizes and in various industries throughout the PPACA regulatory process.

RILA, the trade association of the world's largest and most innovative retail companies, product manufacturers, and service suppliers, promotes consumer choice and economic freedom through public policy and industry operational excellence. Our members provide millions of jobs and operate more than 100,000 stores, manufacturing facilities and distribution centers domestically and abroad. RILA members offer quality and affordable health care to their employees and families, and are leaders in benefits design by customizing plans to meet their workforces' specific needs.

RILA appreciates the Administration's proposal in Notice 2012-31 to provide employers with three options in meeting in the minimum value test. RILA remains concerned, however, that regulations may be written to standardize the minimum value process in the self-insured market, similar to that of the actuarial value test for the small group and individual markets in the state Exchange program. There is no standard workforce population or standard employer plan in the self-insured market. Regulations must take into consideration the uniqueness of plan benefit design and covered population within the self-insured market, and specifically in the retail industry.

RILA remains very concerned that Notice 2012-31 does not provide employers with full credit for contributions made to employees' HSA and HRA plans. Consumer-directed health products, coupled with a high-deductible health plan, are being offered by many retail employers. These products provide employees and their families with quality and affordable health coverage, and help control rapidly increasing health costs, which is crucial to the well-being of employer-sponsored coverage.

The collection and remittance of data required under IRS Code Sections 6055 and 6056, highlighted in Notices 2012-32 and 2012-33, will prove to be an extremely daunting task for retailers. There is no uniformity in the way employers track this data, or whether the tracking is done in-house or through a third-party vendor. The requirements under Sections 6055 and 6056 will require employers to gather data from multiple IT systems and vendors. As the Administration develops the reporting regulations, RILA urges that regulations take into consideration: the need to streamline the reporting process as to lesson compliance and cost burdens on retailers in an economically-challenging environment; the significant amount of time it will take for employers to comply with regulations and built new or modify existing IT systems; and the security of uploading sensitive, personally identifiable information onto federal or state databases.

The EFHC Coalition letter on the four sub-regulatory documents, filed separately and attached, includes comprehensive comments developed with extensive input from RILA member companies. RILA supports and incorporates herein the EFHC Coalition comments urging the Administration to consider carefully these comments as the regulatory development process continues.

Thank you for your attention to these comments. RILA, its member companies, and the EFHC are grateful for the opportunity to work constructively with the Administration throughout the regulatory process. Please direct questions or requests for further information about this comment letter to Christine Pollack, Vice President of Government Affairs, with the Retail Industry Leaders Association (RILA) at Christine.pollack@rila.org or 703-600-2021.

Attachment:
Comment letter from the Employers for Flexibility in Health Care Coalition