

CNT PREFIX CNT_FIRST_NAME CNT LAST NAME
COMPANY_NAME
CNT_ADDRESS_1
CNT_ADDRESS_2
CNT_CITY, CNT STATE CNT_ZIP

Important information about Internal Revenue Service reporting

Dear CNT PREFIX CNT_FIRST_NAME CNT LAST NAME:

As you may know, the Affordable Care Act (ACA) requires health insurers to report certain information to the Internal Revenue Service (IRS) to help ensure that Americans have minimum essential health care coverage. This is commonly referred to as the individual mandate.

The information Independence Blue Cross (Independence) and other insurers are required to report to the IRS includes the name and Tax Identification Number (TIN) — which is typically the Social Security Number (SSN) — of every individual covered by a fully-insured health plan. If insurers do not have SSNs on file for covered individuals, they must make up to three attempts to obtain the SSNs.

We are asking your employees to provide Social Security Numbers

We do not have SSNs on file for some of your employees and/or their dependents covered under an Independence health plan. Before December 31, 2014, we will mail a letter to the health plan subscriber to ask him or her to provide us with the required information no later than two weeks from the date of the letter. A copy of the subscriber letter and form is enclosed for your review.

Your employees' privacy is very important to us, and Independence will take every possible measure to safeguard their personal information. We understand they may have concerns about sharing SSNs. Please be assured that we are working with a trusted third-party vendor to securely collect and report this information to the IRS.

Independence will issue your employees a form to verify coverage

We are using the information reported to the IRS to provide your employees with an IRS Form 1095-B. To verify their health care coverage, they will need this form to file their federal income tax return each year, beginning in 2016 for tax reporting year 2015.

If Independence does not have SSNs to accurately report health care coverage status, it may affect your employees' ability to file their tax return. They must be able to prove to the IRS that they have health care coverage, or they may face a financial penalty.

(over)

Questions?

If you have any questions about why or how we are asking your employees to provide this information, please contact your broker or Independence account executive.

For more information about how new IRS employer reporting requirements under the ACA affect your business, we encourage you to talk to your broker, Independence account executive, or legal counsel.

We appreciate your help and understanding in this matter and look forward to continuing to provide your employees and their families with health care coverage they can count on for years to come.

Sincerely,

A handwritten signature in black ink that reads "Linda Taylor". The signature is written in a cursive, flowing style.

Linda M. Taylor
Senior Vice President & Chief Sales Executive

Enclosure

SAMPLE