

**Publications**

# HHS Requests Comments on CO-OP Rules and Loans and Grants under PPACA

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**SERVICES**

Section 1322 of the Patient Protection and Affordable Care Act (the Affordable Care Act) required the Secretary of Health and Human Services (HHS) to establish the Consumer Operated and Oriented Plan (the “CO-OP” program) to foster the creation of “qualified nonprofit health insurance issuers” that will offer qualified health plans in the individual and small group markets. Such qualified nonprofit issuers must, as directed by the new law, operate with a strong consumer focus and use any profits to lower premiums, improve benefits, or improve the quality of health care delivered to plan members. Under the CO-OP program, HHS will make loans to assist in funding start-up costs for qualified nonprofit issuers and will award grants to assist such issuers in meeting State solvency requirements. The loans and grants are to be made no later than July 1, 2013. Generally, such loans must be repaid within 5 years and grants within 15 years.

HHS has now invited public comments in advance of future rulemaking and grant and loan solicitations. The questions asked by HHS are fairly specific and numerous, but the request also asks for any other considerations that should be addressed. We attach a copy of the request for comments. Comments are requested to be received no later than 30 days after the request for comments is published in the Federal Register, expected to be February 2, 2011. Please contact one of the attorneys to the left if you have any questions.

[HHS Request for CommentsDownload](#)