



Health Reform: **Beyond the Basics**

healthreformbeyondthebasics.org

Post-Open Enrollment Issues

Coverage Year 2018

Center on Budget and Policy Priorities

December 20, 2017

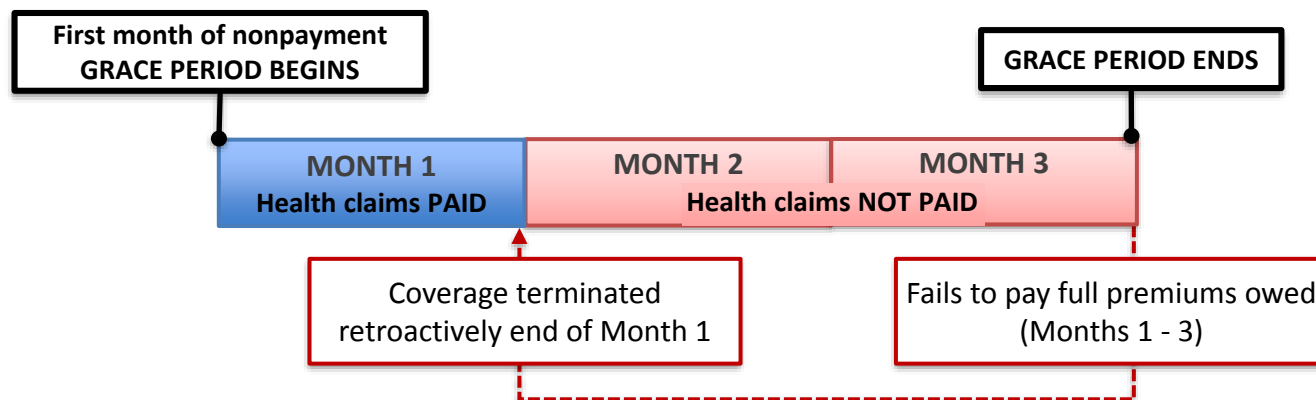
Past-Due Premiums

- For coverage beginning in 2018, insurers can:
 - Refuse to enroll a person who owes back premiums to the insurer (or members of its controlled group) from the **past 12 months*** unless the person pays the prior premium debt, and
 - Apply any payments to the past debt first.
- Information about which insurers are adopting this policy is not readily available
- Implementation by insurers is subject to state law, which may prohibit this practice
- Applies whether enrollment is during OE or SEP

**The look-back period cannot extend earlier than June 19, 2017 and starts after receiving notice from the insurer that the insurer is adopting the past debt collection policy.*

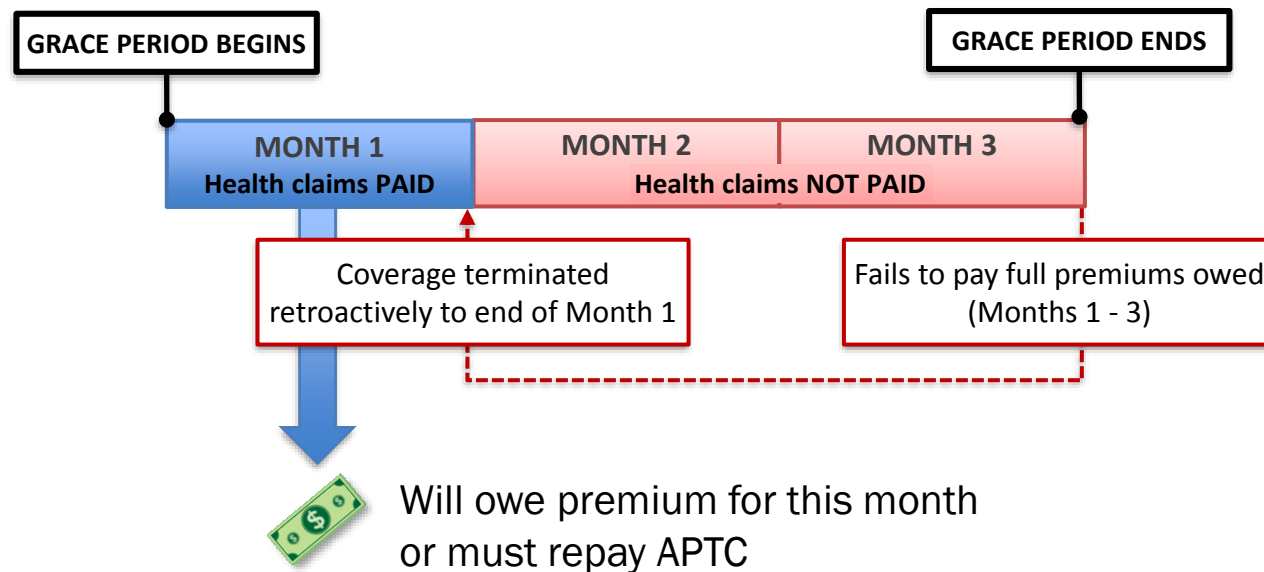
- To implement this rule, insurers must notify individuals of the consequence of nonpayment on future enrollment in:
 - Enrollment application materials; and
 - Notices regarding nonpayment of premiums
- An insurer can only apply the policy to the person who was contractually obligated to pay the premium

- An enrollee who receives premium tax credits has a 90-day grace period for catching up on missed premiums
- An enrollee who fails to pay all owed premiums by the end of the third month has coverage terminated *retroactively* to the end of the first month
- Health claims are paid in the first month but not in the second or third months



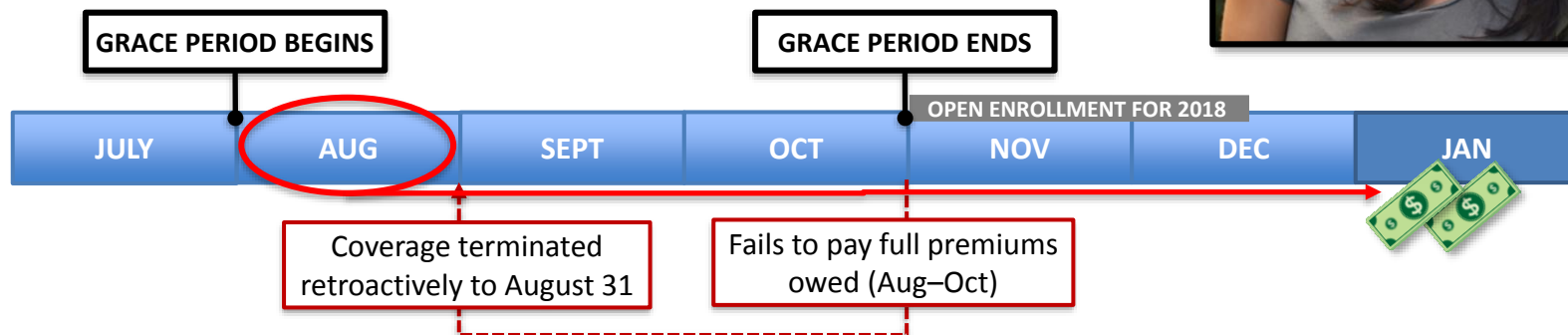
→ If the enrollee does not receive APTC, state grace period rules apply

- At reconciliation, if an enrollee becomes uninsured after a grace period:
 - First month: the enrollee is considered uninsured, unless the premium is paid by the tax filing due date, OR APTC must be repaid.
 - Second and third months: the enrollee is considered uninsured; no APTC should have been received.



Example: Collection of Past Premium Debt

- Jane enrolled in coverage with premium tax credits for 2017. Her insurer notified her that they have adopted the past-premium policy, effective July 1, 2017.
- In late July, she missed her August premium → A 3-month grace period started August 1. She doesn't pay.

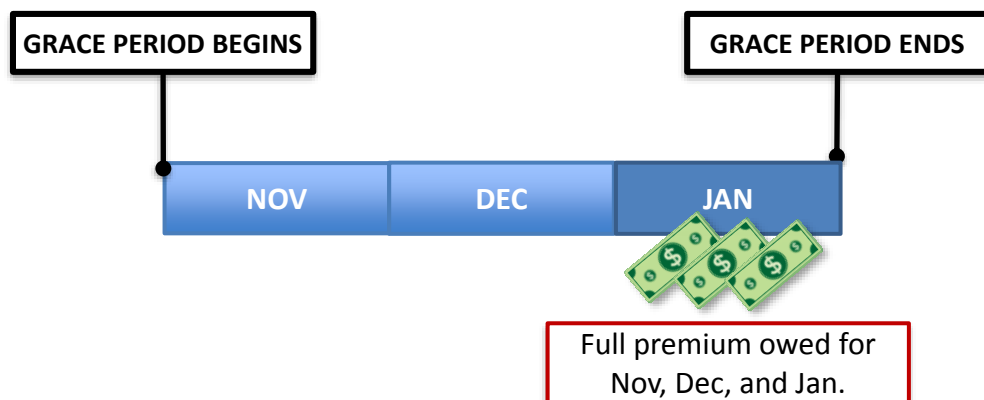


- Jane picks a plan for 2018 with **same insurer**
- BUT, she must pay her August premium and her January binder payment to enroll in 2018 coverage

! If she does not pay the past premium debt, she won't be enrolled in the plan for 2018

Example: Inside Grace Period During OE

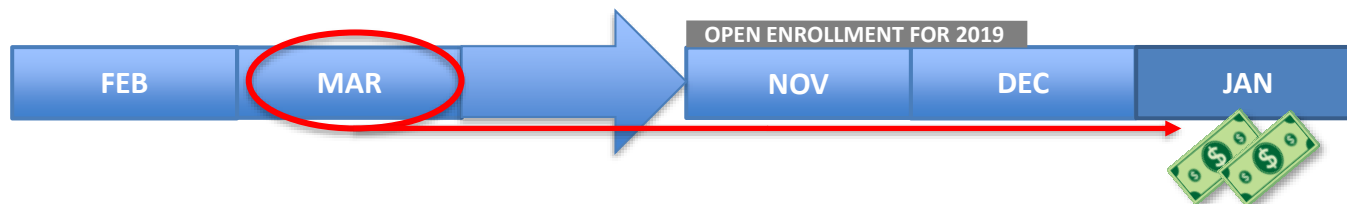
- Jane enrolled in coverage with premium tax credits for 2017. Her insurer notified her that they have adopted the past-premium policy, effective July 1, 2017.
- In October, she missed her November premium payment → a 3-month grace period started November 1



- Jane picks a plan for 2018 with same insurer
- She must pay all owed premiums to effectuate 2018 coverage: **November, December and January**
- If she only pays January's payment, it will be applied to the prior debt first

Example: Loss of APTC

- Jane enrolled in coverage with premium tax credits for 2018. Her insurer notified her that they have adopted the past-premium policy, effective July 1, 2017.
- She had a data-matching issue that she could not resolve and lost her APTC, effective March 1.
- In March she was billed for the full premium. She could not afford to pay and her coverage ended March 30.



- Jane picks a plan for 2019 with same insurer
- She must pay March's **unsubsidized** premium plus January's premium

- Is the bill correct?
 - Was notice given of the insurer's adoption of the past premium debt rules?
 - Did the person miss any past premiums with that insurer?
 - Did the insurer terminate the person's coverage in accordance with the rules on termination? If there was a grace period, the person should only owe a premium for one month.
 - Are there additional protections in state law?
- If you disagree with the insurer's use of the past premium debt policy:
 - Report the issue to the state's Department of Insurance and to the Marketplace
- Make timely coverage terminations. Don't use nonpayment as a method of termination.

Resolving Data-Matching Issues

- Some consumers must submit documents to prove certain eligibility factors
- Consumers are told about their DMI in their initial eligibility notice and will get reminders to send in documents
- Failure to resolve DMIs can result in:
 - Termination of Marketplace coverage
 - Loss or adjustment of PTC

We've successfully processed your application.

Step 1: View Your "Coverage Options at a Glance"

This section gives a quick snapshot of your eligibility. It's important to view your full "Eligibility Results" for more detailed information. Continue to Step 2.

Anna Carson	✓ Eligible	For Medicaid
John Carson	✓ Eligible	For Marketplace health plans
Suzanne Carson		For up to \$534 in premium tax credits for your household

For lower copayments, coinsurance, and deductibles (cost-sharing reductions) on Silver plans

Your eligibility is temporary: By January 11, you must submit documents to confirm some information. See your eligibility notice for details and deadlines.

Next steps

Important: You must send documents. This notice includes deadlines and details.

- Choose a plan and pay your first month's premium.
- By January 11, 2018, send documents to confirm:
 - your household income
- By January 11, 2018, send documents to confirm:
 - Keeley Forrester's TRICARE coverage status
- You'll get information about when your coverage will begin and how to access health services from the Alabama Department of Public Health.

- Must provide documents that verify the amount of income projected in the application.
- Not all documents are equal
 - Though consumers receive a long list of documents, they should send the documents that best represent their 2018 income
 - If no available documents verify income, send an explanation
- All household members whose income is counted towards the eligibility determination must send in proof of income
- Sometimes in gathering DMI documents, it becomes clear that the consumer should modify the income projection.
- If DMI is not resolved, consumers may have to pay all or a larger share of their premium—making coverage unaffordable and putting consumers at risk for premium debt.

- Only applicants-- that is people who intend to enroll in coverage --must verify their immigration or citizenship status
- Make sure the correct attestation was made in the application.
- Check to see if the correct document numbers were entered into the application and use option to write in name as appears on document as needed
- Citizens must provide documents that prove citizenship and identity
- If DMI is not resolved, consumer will be disenrolled in marketplace plan:
 - Can enroll outside of the marketplace
 - Can re-enroll in marketplace with special enrollment period if DMI is later resolved

Common Special Enrollment Periods Available Now

States with State-Based Marketplaces that extended open enrollment past December 15:

- **California:** OE ends January 31, 2018
- **Colorado:** OE ends January 12, 2018
- **Connecticut:** OE ends December 22, 2017
- **District of Columbia:** OE ends January 31, 2018
- **Maryland** OE ends December 22, 2017
- **Massachusetts:** OE ends January 23, 2018
- **Minnesota:** OE ends January 14, 2018
- **New York:** OE ends January 31, 2018
- **Rhode Island:** OE ends December 31, 2017
- **Washington:** OE ends January 15, 2018

Common SEPs Available Now

- *EXCEPTIONAL CIRCUMSTANCES SEP*: Areas affected by recent hurricanes or other natural disaster
 - Only available in states using Healthcare.gov
- *LOSS OF OTHER COVERAGE SEP*: 2017 plan was discontinued
 - Enroll by March 1, 2018 (60 days after discontinuation of 2017 plan)
- *NEWLY ELIGIBLE OR INELIGIBLE FOR PREMIUM TAX CREDITS SEP*: Auto-renewed into a 2018 plan without subsidies
 - Available 60 days after automatic redetermination of ineligibility for PTC
 - Available 60 days after becoming newly eligible for PTC

- Anyone living in or moving from an area impacted by recent hurricanes or other natural disasters is eligible for an SEP based on exceptional circumstances
 - Includes any county that experienced a disaster in 2017 and was declared as needing assistance by the Federal Emergency Management Agency (FEMA): www.fema.gov/disasters
- SEP extends open enrollment **until December 31, 2017** for all affected individuals in states using Healthcare.gov
- This SEP and the process for accessing it are specific to states using Healthcare.gov for enrollment
 - State-Based Marketplaces may implement their own exceptional circumstances SEPs

Examples of areas eligible for SEP:

Includes anyone moving from impacted areas

- Entire states of Florida, South Carolina, Georgia and Alabama
- 53 Texas counties → includes cities of Houston, Corpus Christi, Beaumont, Galveston, Austin and Dallas
- 20 Louisiana parishes
- 7 Mississippi counties
- Puerto Rico and U.S. Virgin Islands → Anyone who has moved to the mainland and intends to reside, including those without a fixed address
- Maine → Areas affected by severe windstorms and resulting power outages

- Contact the Marketplace Call Center at 1-800-318-2596 (TTY: 1-855-889-4325) to request enrollment using this SEP



Reminders:

- Must contact the Call Center by December 31, 2017 to request SEP
- Do not need to complete the application over the phone to use SEP
 - Can fill out application online and then call the Call Center to request SEP
 - Marketplace will review SEP eligibility and once eligibility is approved, will send a notice that includes information about appropriate coverage effective dates
- Eligible individuals should *not* have to provide documentation to prove eligibility for SEP

- If 2017 plan is discontinued, eligible for a special enrollment period (SEP) based on loss of other coverage
- SEP available 60 days BEFORE or 60 days AFTER the discontinuation date of 2017 plan (December 31, 2017)

Who is eligible for this SEP?

- Anyone whose 2017 plan was discontinued, including if:
 - Insurer left the Marketplace and person matched with a new plan with a new insurer
 - Insurer discontinued 2017 plan and auto-enrolled person in new plan
- Eligible regardless of whether auto-enrolled in a new plan, actively selected a new plan, never effectuated coverage, or were not eligible for or requested not to be auto-enrolled into a plan for 2018

- Before open enrollment, consumers should have received a notice from their insurer about the availability of their current plan for 2018
- If the plan is no longer available in 2018, then that person is eligible for an SEP based on a loss of coverage

Insurer Notice: Plan was discontinued;
No available plans from same insurer

Urgent: Your health coverage is at risk. Take action by [3 Date], or you may not have health coverage in [4 Year]. Without health coverage or an exemption, you may have to pay a penalty of [5 \$695] or more when you file your taxes.

Thank you for choosing [6 Issuer] for your health care needs. [7 We're here to help you prepare for Open Enrollment.]

Why am I getting this letter?

Beginning [8 Date], we won't offer [9 in your area] your current health coverage [10 in the Marketplace]. The last day of your current [11 Marketplace] coverage is [12 Date]. Read this letter carefully and review your options.

You can choose a different plan between [13 Dates]. **To make sure there isn't a gap in your coverage, and avoid paying a penalty, enroll in a different plan by [14 Date].**

Insurer Notice: Plan was discontinued;
Will be auto-enrolled in new plan with same insurer

Important: Your plan will no longer be offered through the Marketplace. Take action by [3 Date] or you'll be automatically enrolled in a different [4 Marketplace] plan. This may change some of your costs and coverage, so review your options carefully.

Thank you for choosing [5 Issuer] for your health care needs. [6 We're here to help you prepare for Open Enrollment].

Why am I getting this letter?

Beginning [7 Date], we won't offer [8 in your area] your current health coverage [9 in the Marketplace]. The last day of your current [10 Marketplace] coverage is [11 Date]. Read this letter carefully and review your options. Also make sure to update your information with [12 the Marketplace].

Your new plan for [13 Year]

We found another [14 Marketplace] plan that may meet your needs. Starting in [15 Month], you'll automatically be enrolled in [16 Plan name].

Before December 31, respond to question concerning loss of coverage in the next 60 days on Healthcare.gov:

- Answer that coverage will end on 12/31/2017
- Will have until December 31, 2017, to select a new plan that starts on January 1, 2018

After December 31, respond to question concerning loss of coverage within the past 60 days:

- Answer that coverage ended on 12/31/2017
- Will have until March 1, 2018 to select a new plan
- Coverage will begin 1st day of the month following plan selection

In the next 60 days, will any of these people lose qualifying health coverage, like one of these types?
optional

- An individual health plan (including from the Marketplace, or a student health plan)
- Coverage through a job, or through another person's job
- Virginia Medicaid with full benefits
- Family Access to Medical Insurance Security (FAMIS) (CHIP)

[Learn more and see a list of qualifying coverage types.](#)

☒ Jane Taxpayer

When will Jane Taxpayer's health coverage end?

Note: Enter the date your current coverage will end. Your Marketplace coverage will start on the first day of the following month. For example, if your current coverage ends December 31, 2014, enter that date here, and your Marketplace coverage will begin on January 1, 2015.

12/31/2017



MM/DD/YYYY

In the past 60 days, did any of these people lose qualifying health coverage, like one of these types?
optional

- An individual health plan (including from the Marketplace, or a student health plan)
- Coverage through a job, or through another person's job
- Virginia Medicaid with full benefits
- Family Access to Medical Insurance Security (FAMIS) (CHIP)

[Learn more and see a list of qualifying coverage types.](#)

☒ Jane Taxpayer

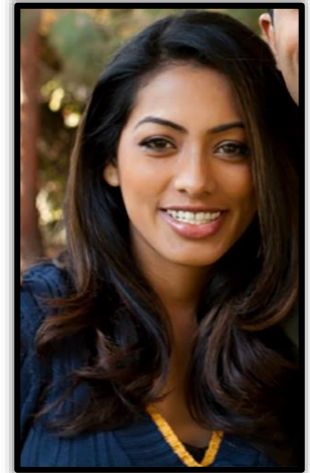
When did Jane Taxpayer lose health coverage?



MM/DD/YYYY

Katie's plan was discontinued

- She did not return to the Marketplace during open enrollment
- She was auto-enrolled into a new plan with a new insurer and received a bill for the first month's premium
- Because her plan was discontinued, she is eligible for an SEP



Changing plans after open enrollment ends, but before the new coverage year:

- Katie updates her application and notes that she is losing coverage December 31, 2017
- An SEP is triggered and she uses it to pick a different plan than the one she was auto-enrolled in
 - Coverage begins January 1, 2018

Katie's plan was discontinued

- She did not return to the Marketplace during open enrollment
- She was auto-enrolled into a new plan with a new insurer and received a bill for the first month's premium
- Because her plan was discontinued, she is eligible for an SEP



Changing plans after January 1st:

- Katie paid her first month's premium and was auto-enrolled in her matched plan with a new insurer, but the plan doesn't have her doctor in network
- In February, she updates her application and notes that she lost coverage December 31, 2017
- She will have until March 1st to select a new plan that better suits her needs
 - Coverage will be effective the first day of the month following plan selection
- *Note: If she never effectuates the plan she was auto-enrolled into for 2018, she may have a gap in coverage*

- Some individuals were not eligible to be auto-renewed with subsidies
 - If not resolved during open enrollment, these individuals were determined ineligible for subsidies and were auto-enrolled into a plan without subsidies
 - These individuals have an SEP when determined ineligible for subsidies and later if they become newly eligible for subsidies

Opt-Out Group:

- **Did not authorize** Healthcare.gov to receive tax data related to income and household size

Over Income Group:

- 2016 tax information shows income **above 500% FPL**

Failure to Reconcile Group:

- Received APTC in 2016, but **didn't reconcile APTC** received for that year

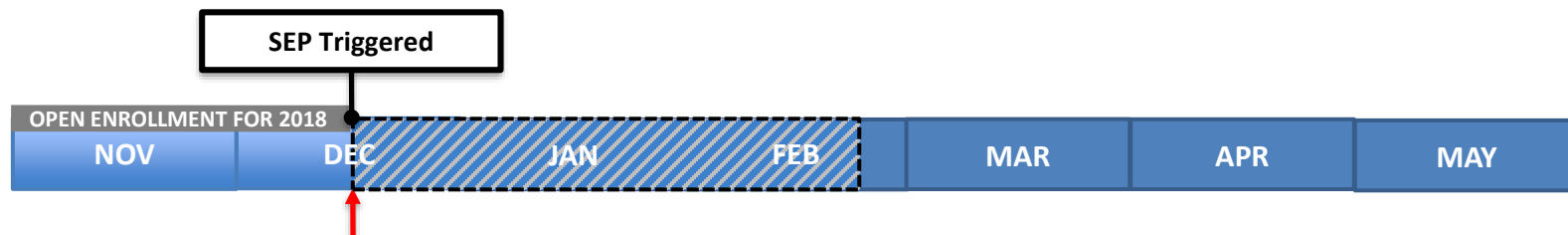
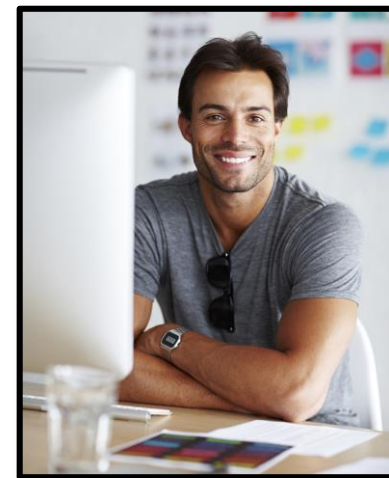
Repeat Passive Group:

- **Auto-renewed for past two years**, did not return to the marketplace to update eligibility in those years, and no IRS information on income for those years

SEP Available Both:

- 60 days after **automatic redetermination of ineligibility for PTC**
 - Have 60 days after the date of eligibility determination (generally December 16) to change plans
 - 60 days after **becoming newly eligible for PTC**
 - Can return to the Marketplace at any time and update information to resolve issue preventing eligibility for subsidies
 - If determined eligible for PTC, can change plans using SEP
 - Can happen throughout the year
- ! Note:** This SEP is only triggered if individual is currently enrolled in coverage
→ *If unable to be auto-enrolled, if never effectuated coverage, or if coverage terminated due to nonpayment of premiums and individual has a resulting gap in coverage, will not be eligible to use this SEP*

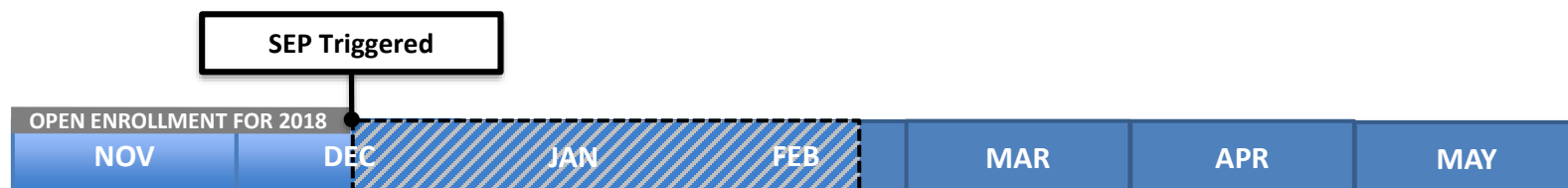
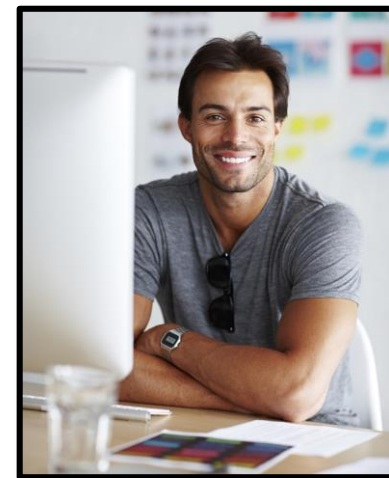
- David is self-employed
- In 2016, he made too much to qualify for PTC and paid full cost for his Marketplace plan
- In 2017, he lost a client and projected his income to be within PTC eligibility range → He was awarded PTC and remained enrolled in his plan
- During the auto-renewal process for 2018, his 2016 tax return showed income above 500% FPL → He was auto-enrolled into his current plan without PTC for 2018



David is auto-enrolled in a plan without PTC

He is determined newly *ineligible* for PTC and eligible for an SEP

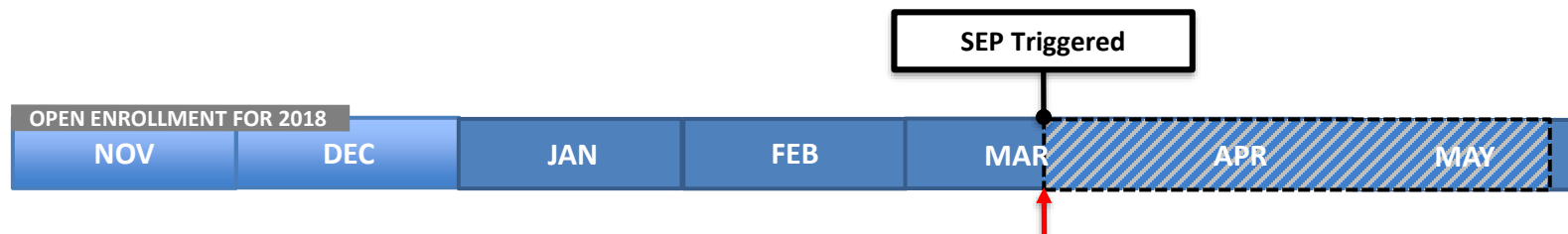
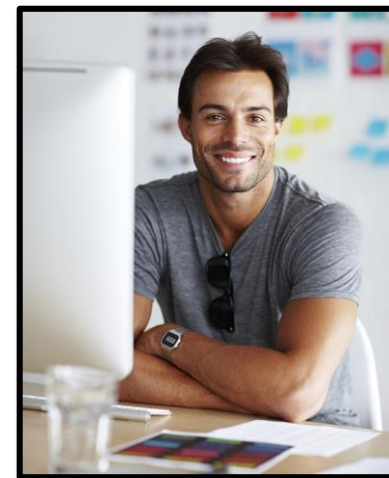
- David receives a bill in December to pay his first month's premium for a plan he was auto-enrolled in → He returns to the Marketplace on December 28 to review his auto-enrollment plan and subsidy eligibility
- He expects to be hired for a new project, so he doesn't change the income projection in his application for 2018 & remains ineligible for PTC
- He uses his SEP from being re-determined ineligible for PTC to pick a new, cheaper plan → He pays the first month's premium



David returns to the Marketplace and picks a new plan for 2018

He pays his premium for January

- David continues to pay his premiums and remain enrolled
- In March, his new project falls through and his income drops dramatically
- He returns to the Marketplace and updates his income projection
- He is determined newly eligible for PTC and is eligible for an SEP
- He uses the SEP to select a new plan on March 18 → His new plan will begin May 1



David returns to the Marketplace and updates his income projection

He is determined newly *eligible* for PTC and eligible for an SEP

- Key Facts: Past-Due Premiums in the Marketplace: www.healthreformbeyondthebasics.org/key-facts-past-due-premiums-in-the-marketplace
- Webinar: Preventing and Resolving Data-Matching Issues: www.healthreformbeyondthebasics.org/cbpp-webinar-oe5-resolving-data-matching-issues
- Reference Guide: Documents Used to Verify Immigration Status: www.healthreformbeyondthebasics.org/reference-guide-to-immigration-documents
- Marketplace Consumer Guide for Annual Household Income DMIs: marketplace.cms.gov/outreach-and-education/household-income-data-matching-issues.pdf
- Special Enrollment Period Reference Chart: www.healthreformbeyondthebasics.org/sep-reference-chart
- Explainer: Auto-Renewal Process for 2018: www.healthreformbeyondthebasics.org/explainer-auto-renewal-process-for-2018
- Fact Sheet: Discontinued 2017 Marketplace Plans: www.healthreformbeyondthebasics.org/discontinued-2017-marketplace-plans
- Kaiser Family Foundation: Who Can Still Sign Up for 2018 Coverage After December 15?: www.kff.org/health-reform/fact-sheet/who-can-still-sign-up-for-2018-coverage-after-december-15
- Federal Standard Renewal and Product Discontinuation Notices: www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/Final-Updated-Federal-Standard-Renewal-and-Product-Discontinuation-Notices-090216.pdf

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www.healthreformbeyondthebasics.org

This is a project of the Center on Budget and Policy Priorities, www.cbpp.org