Part III:
Healthcare.gov Auto-Renewal Process for 2020

October 8, 2019

Presented by the Center on Budget and Policy Priorities
Tara Straw, Senior Policy Analyst
Upcoming Webinars

Part IV: Preventing & Resolving Data-Matching Issues
• Thursday, October 10 | 2 pm ET (11 am PT)

Part V: Plan Design
• Tuesday, October 15 | 2 pm ET (11 am PT)

Part VI: Plan Selection Strategies
• Thursday, October 17 | 2 pm ET (11 am PT)

Immigrant Eligibility for Health Coverage Programs
• Tuesday, October 22 | 2 pm ET (11 am PT)

Register for upcoming webinars at
www.healthreformbeyondthebasics.org/events
Webinar Logistics

• All attendees are muted and in listen-only mode

• To ask a question:
  – Click on the Q&A icon in the control panel at the bottom of your webinar screen
  – Type your question into the box

• We will monitor questions and pause to answer a few during the presentation

• You can also email questions to beyondthebasics@cbpp.org

• All webinars are recorded and will be available for viewing at www.healthreformbeyondthebasics.org
Encourage Active Renewal
Why should consumers choose active enrollment?

• Get the most accurate eligibility determination and premium tax credit (PTC)
  → Update changes in income, household size, and employer insurance offer
  → Receive the correct amount of financial help to avoid repaying at reconciliation

• Explore new health plan options
  → New insurers or plans
  → Changes to premiums, provider networks, and out-of-pocket charges

• Switching plans outside open enrollment is restricted
  → Requires an SEP
Notices
Notices About Renewal Process

Marketplace Open Enrollment Notice (MOEN)

• Description of redetermination and re-enrollment process based on the enrollee’s situation
  → Emphasizes importance of updating application and comparing plan options
  → If eligible, explanation of how amount of APTC/CSR will be determined for 2020 if enrollee does not contact the Marketplace
  → For certain groups, will include warning that if no action is taken, they’ll be re-enrolled WITHOUT APTC or CSR. But doesn’t say precisely why enrollee is ineligible.

• Important deadlines for open enrollment
• Requirement to report changes

For more information on Marketplace notices, see sample notices from CMS: marketplace.cms.gov/applications-and-forms/notices.html
Notices About Renewal Process

Failure to Reconcile Open Enrollment Warning

- Sent to 2018 enrollees (who are also enrolled in 2019 coverage) who did not file a tax return and reconcile their 2018 premium tax credit
- Person-specific, unlike MOEN
- Must attest to filing in order to receive financial assistance in 2020
- Paper notice only

ACT NOW: YOU’RE AT RISK OF LOSING FINANCIAL ASSISTANCE STARTING JANUARY 1, 2019.

IRS records show that you haven’t filed a 2017 tax return with a Form 8962 to reconcile advance payments of the premium tax credit. If you want to continue to receive financial assistance to help pay for Marketplace health coverage in 2019, you must file and reconcile as soon as possible.
Notices About Renewal Process

Notice from Insurer

• Availability of current plan
  → Key changes to benefits and cost sharing of current plan
  → If current plan not available, two scenarios:
    o If another plan is available through the same insurer: Will be auto-enrolled in new plan and notice will provide information on new plan (will include language on discontinuation of current plan and details on how to pick a different plan)
    o If no plans are available through same insurer: Will lay out discontinuation of current plan and how to pick a new plan (will note that Marketplace may automatically enroll person in different plan through a different insurer)

• Premiums for current or new plan
  → Estimates premium amount taking into account monthly APTC amount a person currently receives (if any)
  → Important! APTC in notice could reflect:
    o Current APTC an enrollee receives, or
    o Redetermined APTC → Actual APTC for 2020 may be higher or lower depending on the change in cost of benchmark plans in a person’s service area

• Information about other health coverage options
  → Includes how to pick a different plan in the Marketplace

Notices About Renewal Process

**Note:** If no plan available from current insurer, will be matched with new plan with a new insurer in the Marketplace

→ Will receive discontinuation notice from current insurer
→ New insurer should send notice with details on new plan
→ Marketplace will send cross-issuer notice

Cross-Issuer Notice

• If matched with a new plan with a new insurer, the enrollee will receive an additional Marketplace notice
  → Includes name of new plan and insurer
  → Includes information on next steps, including how to compare other options and how to activate a special enrollment period

For more information on Marketplace notices, see sample notices from CMS: marketplace.cms.gov/applications-and-forms/notices.html
Eligibility Determination Notice (EDN)

- Everyone gets an EDN
  - Eligibility determination for the upcoming plan year
  - Confirmation of plan name, plan ID, and financial assistance
- No EDN if not successfully re-enrolled
- Read closely! Multiple versions of the EDN:
  - Eligible for a QHP and PTC (and cost-sharing reductions)
  - Eligible for a QHP without PTC
  - Mixed eligibility (Medicaid/PTC)
  - Assessed eligible for Medicaid

For more information on Marketplace notices, see sample notices from CMS: marketplace.cms.gov/applications-and-forms/notices.html
Notices About Renewal Process

Enrollment Confirmation Message

• Sent if enrollee has not returned to Marketplace for an active plan selection by December 15
  → Eligibility determination for the upcoming plan year
  → Confirmation of plan name, plan ID, and financial assistance

• **Read closely!** Multiple versions of the Enrollment Confirmation:
  → Standard auto-renewal
  → Enrolled with another insurer
  → Enrolled without financial assistance
  → Enrolled but need to submit documents

For more information on Marketplace notices, see sample notices from CMS:
marketplace.cms.gov/applications-and-forms/notices.html
Redetermination of APTC (in Healthcare.gov)
Two-Step Auto-Renewal Process When No Action Taken

Redetermining Eligibility & Amount of Financial Help

→ Process Healthcare.gov uses to redetermine eligibility for 2020 advance premium tax credits (APTC) and cost-sharing reductions (CSR)

Auto-Enrollment into a Plan

→ Process Healthcare.gov uses to assign 2020 plan enrollment
Renewal Process for Healthcare.gov

Eligible to re-enroll with APTC/CSR

Provide updated info to the Marketplace:
APTC/CSR renewed based on updated information from consumer, using new FPL and benchmark premiums

Eligible to re-enroll without APTC/CSR

Do nothing: APTC/CSR renewed using updated FPL and benchmark premiums and most recent income information

Do nothing: Auto-enrolled without APTC/CSR
Eligible for Redetermination of APTC

Standard Group:
- Authorized Healthcare.gov to pull tax data related to income and household size
- Available income information shows income within 100% - 350% FPL
- Don’t fall into one of special groups that cannot be redetermined

Income-Based Outreach Group:
- Authorized Healthcare.gov to pull tax data related to income and household size
- One of the following applies:
  - IRS didn’t provide updated tax return information
  - Most recent eligibility determination or 2018 tax data show income above 350% FPL
  - 2018 tax data show income more than 50% different from most recent eligibility determination
  - 2018 tax data show income under 100% FPL

Likely had changes and may not receive correct subsidy in 2020 → Marketplace Open Enrollment Notice will emphasize this and encourage individual to return to the Marketplace

IF NO ACTION TAKEN: Auto-renewed with redetermined APTC/CSR
### Not Eligible for Redetermination of APTC

<table>
<thead>
<tr>
<th>Opt-Out Group:</th>
<th>Over-Income (“Special Notice”) Group:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Did not authorize Healthcare.gov to pull tax data related to income and household size</td>
<td>• 2018 tax information shows income <strong>above</strong> 500% FPL</td>
</tr>
<tr>
<td></td>
<td>• <strong>Likely to be over income for APTC eligibility</strong></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Marketplace cannot look up most recent income information to redetermine eligibility</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Failure to File &amp; Reconcile Group (FTR):</th>
<th>Repeat Passive Group:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Received APTC in 2018, but <strong>didn’t reconcile APTC</strong> received for that year</td>
<td>• <strong>Auto-renewed for past two years</strong>, did not return to the marketplace to update eligibility in those years, and no IRS information on income for those years</td>
</tr>
<tr>
<td>• <strong>Not eligible for APTC until applicant attests to reconciling 2018 APTC</strong></td>
<td>• <strong>Available income information cannot be used to redetermine eligibility</strong></td>
</tr>
<tr>
<td>• <strong>Will get a special paper-only FTR warning notice</strong></td>
<td></td>
</tr>
</tbody>
</table>

**IF NO ACTION TAKEN:** Auto-renewed **without** APTC/CSR
Not Eligible for Auto-Renewal

Member of Enrollment Group has Medicare Coverage:

- If someone is enrolled in both Medicare and Marketplace coverage, insurers will terminate Marketplace coverage for all enrollees on December 31, 2019, and coverage will not be renewed for anyone enrolled in that Marketplace plan.
- Any individual who shares a policy with a person enrolled in Medicare will not have coverage renewed for 2020 (even if they are still eligible for enrollment).
  
  ! **Individuals who are not enrolled in Medicare should return to the Marketplace and re-enroll in coverage.**

  ! **If open enrollment has ended, a special enrollment period is available until March 1, 2020 for eligible individuals to re-enroll in coverage (coverage will begin retroactively to January 1 to avoid a gap in coverage).**

Should receive notices from:

- **Insurer:** Informing about the termination of coverage and the non-renewal for 2020.
- **Marketplace:** Informing individuals that they might be eligible to re-enroll in coverage during open enrollment or during a special enrollment period.

**IF NO ACTION TAKEN:** Coverage will not be renewed for 2020.
### Redetermination of APTC and CSR

- **Information used to redetermine 2020 APTC and CSR:**
  - Updated federal poverty guidelines
  - 2020 benchmark plan premium information
  - Most recent income information available, adjusted to 2020 (maintaining FPL level)
    1. 2019 projected income
    2. 2018 tax data
    3. Projected 2018 income (rare)

- **Katie updated her application during last year’s open enrollment to update her income information and re-enroll in 2019 coverage**
  - Marketplace will use 2019 projected income as most recent income to be adjusted

<table>
<thead>
<tr>
<th>Household Income</th>
<th>2019 Projected Income</th>
<th>2020 Adjusted Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>$17,110</td>
<td>$17,610</td>
<td></td>
</tr>
<tr>
<td>Corresponding FPL</td>
<td>141%</td>
<td>141%</td>
</tr>
</tbody>
</table>

- **Sasha was enrolled in 2018 and auto-renewed for 2019**
  - Marketplace will use 2018 tax data as most recent income to be adjusted

<table>
<thead>
<tr>
<th>Household Income</th>
<th>2018 Tax Data</th>
<th>2020 Adjusted Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>$32,656</td>
<td>$33,598</td>
<td></td>
</tr>
<tr>
<td>Corresponding FPL</td>
<td>269%</td>
<td>269%</td>
</tr>
</tbody>
</table>
Example: Redetermining APTC

Katie’s 2019 Eligibility:
- Household income: $17,100 (141% FPL in 2019)

Redetermination of APTC for 2020:
- Household income is adjusted: $17,610 (141% FPL in 2020)
Auto-Enrollment for 2020 Plans

(in Healthcare.gov)
Auto-Enrollment Process

• If no action by December 15, 2019 (the end of open enrollment), a person will be auto-enrolled in a plan for 2020
  → Subsidies will be adjusted (or discontinued!) in accordance with the redetermination process for APTC and CSR

• Hierarchy to determine plan for auto-enrollment
  → **First option:** Same plan as previous coverage year
  → **Second option:** If same plan is not available, new plan with same insurer that is as similar as possible to current plan
  → **Third option:** If no plans available from same insurer, new plan with different insurer that is as similar as possible to current plan

A person can go back to the Marketplace at any time during open enrollment and pick a different plan
Auto-Enrolled Into Same Plan

If current plan is still available:
• Will be auto-enrolled in same plan as previous year

Note:
→ Premiums, benefits and cost sharing may change
→ Notice will outline 2020 premium costs and changes to plan
  • Premium will take into account any monthly APTC amount a person currently receives or redetermined APTC
→ Can return to Marketplace until December 15th to pick a different plan → If the enrollee doesn’t return by December 15th, they will be auto-enrolled in same plan
→ Have until December 31st to cancel coverage without incurring any premium cost for 2020 (but will not be able to pick a new plan after December 15th)
Auto-Enrolled Into New Plan

If current plan is **not** available:

- Will be auto-enrolled in **new plan with same insurer**

**Note:**

- Notice will outline premiums, benefits and cost sharing in new plan
  - Premium will take into account any monthly APTC amount a person currently receives or redetermined APTC
- Can return to Marketplace until December 15th to pick a different plan → If don’t return by December 15th, will be auto-enrolled in new plan
- Have until December 31st to cancel coverage without incurring any premium cost for 2020
- **Eligible for a special enrollment period (SEP) due to discontinuation of previous year’s plan**
Auto-Enrolled Into New Plan With New Insurer

If current plan is not available *and* insurer no longer selling plans in the Marketplace:

- Will be matched with a new plan with different insurer

**Note:**

- Will receive a discontinuation notice from current insurer
- Marketplace will send a notice that the Marketplace matched person with different plan with different insurer (under no obligation to enroll in plan)
- Should receive notice from new insurer on new plan and details on paying first month’s premium
- Must pay first month’s premium to effectuate coverage (if no premium paid for January 1, enrollment will not go into effect) → Have until January 1st to pay first month’s premium
- Eligible for a special enrollment period due to discontinuation of previous year’s plan
SEP When Auto-Enrolled in New Plan

- If 2019 plan is discontinued, the enrollee is eligible for a special enrollment period (SEP) based on loss of other qualifying coverage.

- Can switch plans up to 60 days BEFORE or 60 days AFTER the discontinuation date of 2019 plan (December 31, 2019).

  → This means people who are auto-enrolled in a new plan (with a new insurer or with the same insurer) can still change plans after January 1, 2020.

For more on SEPs, see the Special Enrollment Period Reference Chart: www.healthreformbeyondthebasics.org/sep-reference-chart
Katie’s plan is no longer available in the Marketplace:
- She receives a notice from her insurer about discontinuation of her plan
- And a notice that the Marketplace matched her with a new plan with a different insurer

Katie checks her Marketplace account on December 20:
- She has been auto-redetermined for APTC for 2020 (for $301/month)
  → She expects to make more money in 2020 and updates her application (her ATPC eligibility is updated to $184/month)
- She has been matched with a new plan with a new insurer
  → BUT she must pay the first month’s premium to effectuate coverage
  → When she updates her application, the matched plan is shown at the top of her options during plan selection → She likes the plan and pays the first month’s premium: Coverage begins January 1
Example: Auto-Enrollment

But what if Katie wants to change plans?
- Because her plan was discontinued, she is eligible for an SEP
  → When she updates her application, she will note that she is losing coverage December 31, 2019

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

- When she updates her application to change her 2020 income projection, she can pick a different plan than the one she is matched with
  → Coverage begins January 1, 2020
Example: Auto-Enrollment

But what if Katie wants to change plans?

- Because her plan was discontinued, she is eligible for an SEP
  - When she updates her application, she will note that she is losing coverage December 31, 2019

Changing plans after January 1st:

- If auto-enrolled in a plan:
  - She will have 60 days after the end of her 2019 plan to use the SEP
  - Coverage will be effective the first day of the month following plan selection

- If renewal plan never effectuated:
  - Katie doesn’t pay the first month’s premium for the plan she’s been matched with and she is not auto-enrolled in any plan
  - She can still use the SEP to enroll in coverage after January 1, but she may have a gap in coverage
Canceling 2020 Coverage

• Have until December 31st to cancel 2020 coverage without incurring any premium cost for 2020

• Can **stop coverage for 2020** so plan will end on December 31, 2019 and won’t be auto-renewed

• If coverage isn’t stopped, enrollee may be responsible for a month’s premium, even if coverage isn’t effectuated (by paying the first month’s premium)
Tips for Assisters

• Emphasize the importance of updating information and shopping for plans!
  → Help people more accurately project 2020 income, especially if their circumstances fluctuate. Compare 2018 and 2019 projections with actual income to help facilitate more accurate income projections
  → In 2019, 79% of people shopping in the Marketplace had access to a plan for under $75 a month after accounting for APTC

• Remind people they only have until December 15th (the end of open enrollment) to change plans
  → Look out for: People eligible for cost-sharing reductions who are auto-enrolled into a non-silver plan; and
  → People who may be eligible for a special enrollment period (including those whose 2019 plans were discontinued)

• Educate consumers who received APTC in past years about the need to file a tax return and reconcile their APTC (refer to tax professionals, if possible)

• Remind people to cancel their plan if they don’t wish to re-enroll
Resources

• Guidance on Annual Eligibility Redetermination and Re-Enrollment
  → Guidance for Coverage Year 2019 and Beyond (PDF)
  → Guidance for Coverage Year 2018 (PDF)
  → Guidance for Coverage Year 2017 (PDF)

• Notices:
  → Insurer template notices: Coverage renewals or discontinuation
  → Marketplace notices: See Open Enrollment Notices
Upcoming Webinars

Part IV: Preventing & Resolving Data-Matching Issues
• Thursday, October 10 | 2 pm ET (11 am PT)

Part V: Plan Design
• Tuesday, October 15 | 2 pm ET (11 am PT)

Part VI: Plan Selection Strategies
• Thursday, October 17 | 2 pm ET (11 am PT)

Immigrant Eligibility for Health Coverage Programs
• Tuesday, October 22 | 2 pm ET (11 am PT)

Register for upcoming webinars at www.healthreformbeyondthebasics.org/events
Contact Info

• Tara Straw, tstraw@cbpp.org
  → Twitter @TaraStraw
• General inquiries: beyondthebasics@cbpp.org

For more information and resources, please visit:

www.healthreformbeyondthebasics.org

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