



Health Reform: **Beyond the Basics**

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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

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)

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

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

Act now to get financial help with Marketplace coverage in 2020

Review your Health Insurance Marketplace coverage and costs for next year. The following people are currently enrolled in coverage with financial help through the Marketplace:

- [Name]

The Marketplace Open Enrollment Period is November 1 – December 15, 2019. During this time, you can shop for new Marketplace coverage or choose to stay in the same type of plan, if it's still right for you. You're currently getting financial help with the cost of health coverage each month. It's important to update your household income and other information to make sure you're getting the right amount of help.

You're at risk for losing your financial help for 2020 Marketplace coverage and covered services.

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.

Notice from Insurer

- Availability of current plan
 - Key changes to benefits and cost sharing of current plan
 - If current plan not available, two scenarios:
 - **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)
 - **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:
 - Current APTC an enrollee receives, or
 - 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

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

Dear [Name]

Important information about your 2020 Marketplace health coverage

You recently got a letter from your Marketplace health insurance company letting you know that your current plan won't be available through the Marketplace for 2020.

We matched you with an alternate plan offered by a different insurance company, so you don't have a gap in your coverage. You'll get information about this new plan, including welcome information and a bill for the first month of coverage, from the company offering it. **You don't have to stay in this new plan. You can still choose any available plan.**

Each person listed here was matched with a plan:

- Susan Griffith: enrolled with [current health insurance company] for 2019, now matched with [2020 health plan] offered by [2020 health insurance company] for 2020.

Visit the Marketplace by December 15, 2019

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

Eligibility notice: Take action to enroll & use your financial help

Family member(s)	Results	Next steps
[Name]	<ul style="list-style-type: none">• Eligible to buy a 2019 Marketplace plan.• Eligible for advance payments of the premium tax credit to help pay for a Marketplace plan. You can use up to this much of the tax credit:<ul style="list-style-type: none">• \$[amount] each month, which is \$[amount] for the year, for your tax household.• This is based on the yearly household income of \$[amount]—the amount that you put on your application, or that came from other recent information sources.• Can choose a Silver plan with lower copayments, coinsurance, and deductibles (cost-sharing reductions).	<ul style="list-style-type: none">• Choose a plan and pay your first month's premium.• You must choose a Silver plan to get cost-sharing reductions, which provide extra savings on out-of-pocket costs. Choosing a Silver plan instead of a Bronze plan may save you thousands of dollars if you use a lot of medical services.

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

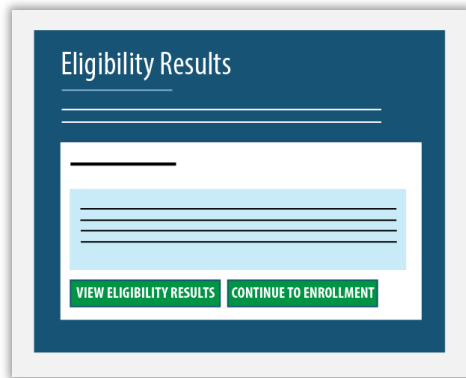
You're automatically enrolled in the Marketplace plan(s) below for coverage beginning January 1, 2019.

Enrolled individuals	Now enrolled in this plan	Will I get financial help for this plan in 2019?
Susan Griffith	[Plan name] Plan ID: [Number] Effective January 1, 2019	Yes. A premium tax credit of \$221.00 will be applied to your monthly insurance premium. This plan has lower copayments, coinsurance, and deductibles (cost-sharing reductions).

Redetermination of APTC

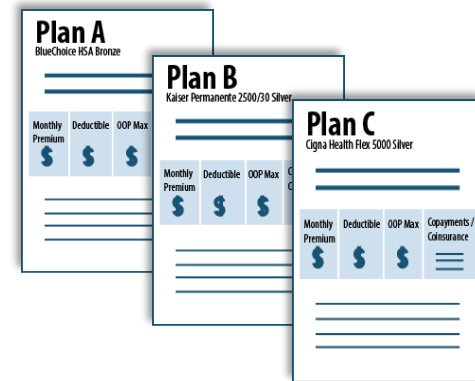
(in Healthcare.gov)

Redetermining Eligibility & Amount of Financial Help



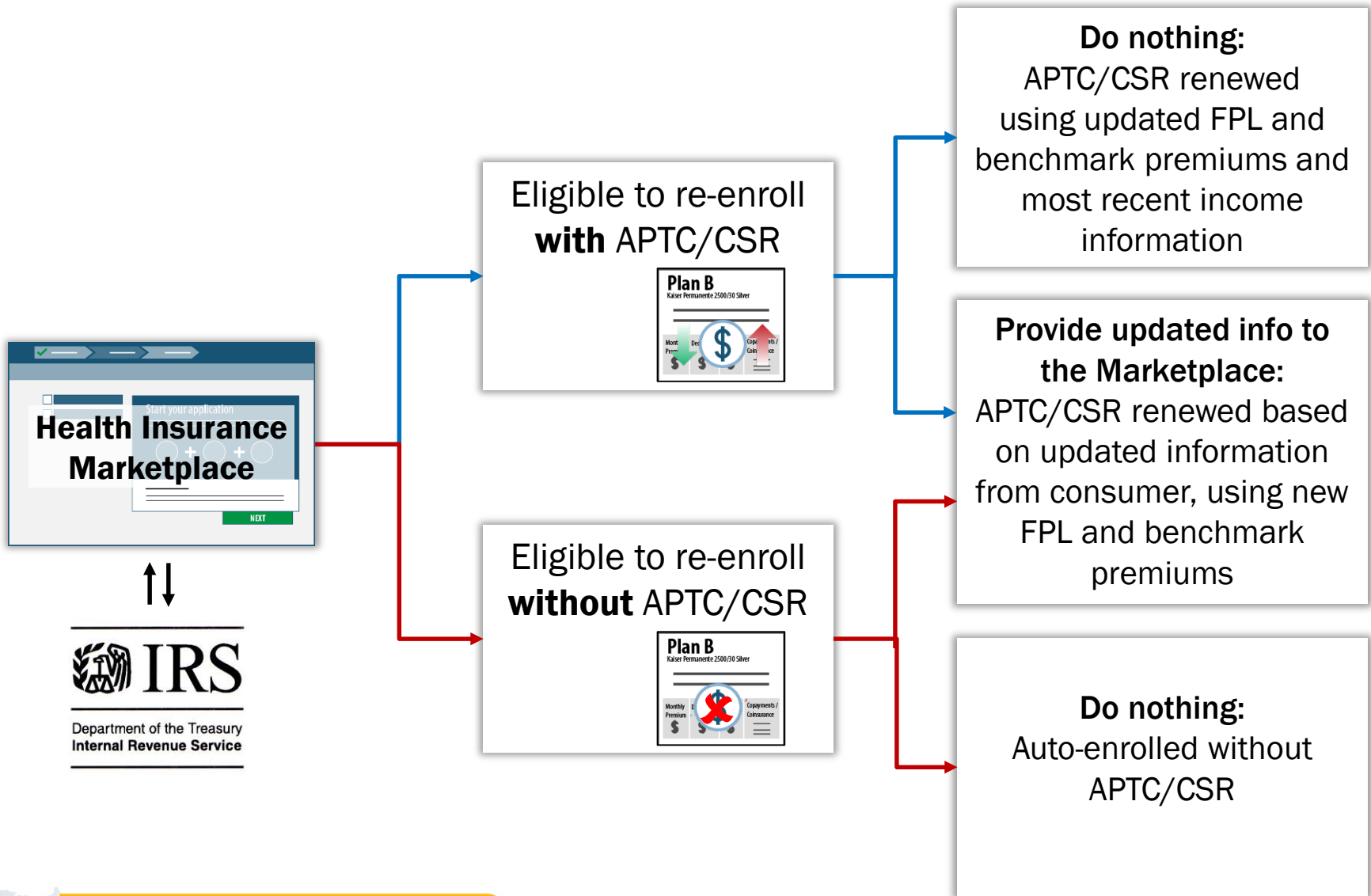
and

Auto-Enrollment into a Plan



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

- Process Healthcare.gov uses to assign 2020 plan enrollment



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

Opt-Out Group:

- **Did not authorize** Healthcare.gov to pull tax data related to income and household size
- ! *Marketplace cannot look up most recent income information to redetermine eligibility*

Over-Income (“Special Notice”) Group:

- 2018 tax information shows income **above 500% FPL**
- ! *Likely to be over income for APTC eligibility*

Failure to File & Reconcile Group (FTR):

- Received APTC in 2018, but **didn’t reconcile APTC** received for that year
- ! *Not eligible for APTC until applicant attests to reconciling 2018 APTC*
- ! *Will get a special paper-only FTR warning notice*

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
- ! *Available income information cannot be used to redetermine eligibility*

IF NO ACTION TAKEN: Auto-renewed **without** APTC/CSR

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

- 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

	2019 Projected Income	2020 Adjusted Income
Household Income	\$17,110	\$17,610
Corresponding FPL	141%	141%

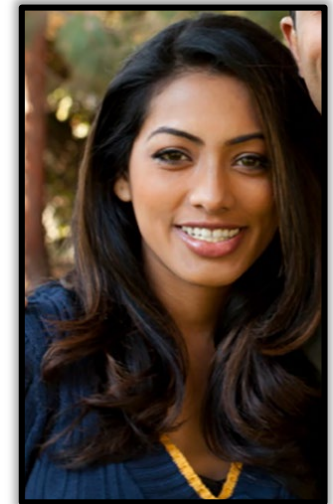
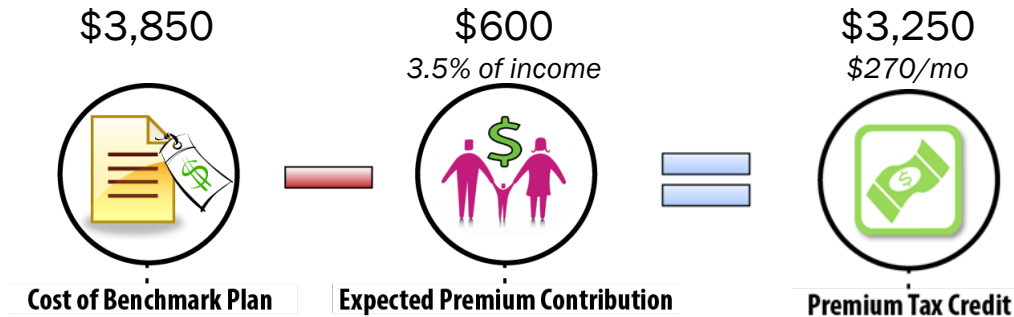
- Sasha was enrolled in 2018 and auto-renewed for 2019
 - Marketplace will use 2018 tax data as most recent income to be adjusted

	2018 Tax Data	2020 Adjusted Income
Household Income	\$32,656	\$33,598
Corresponding FPL	269%	269%

Example: Redetermining APTC

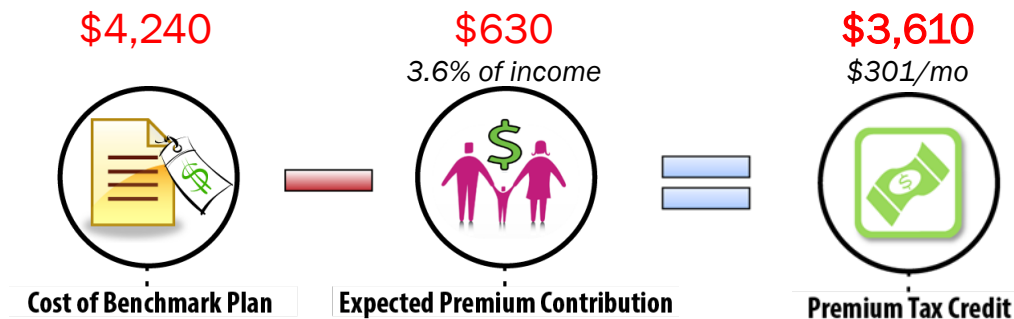
Katie's 2019 Eligibility:

- 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)

- 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***

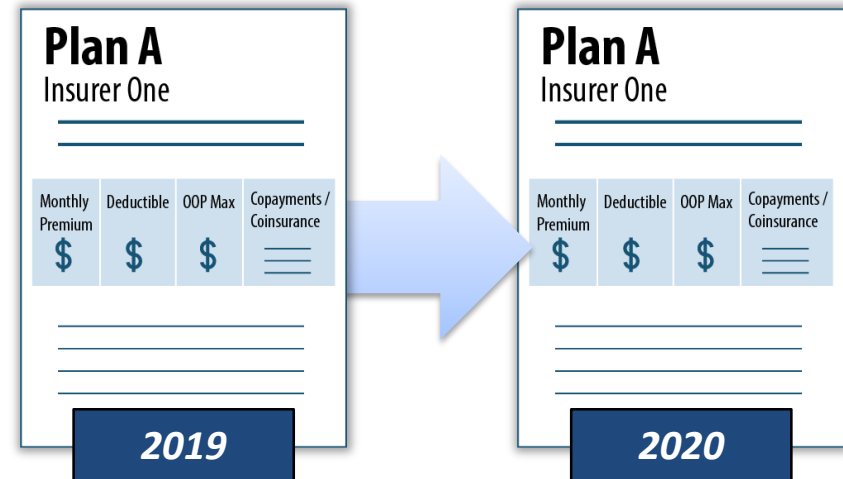


If current plan is still available:

- 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)

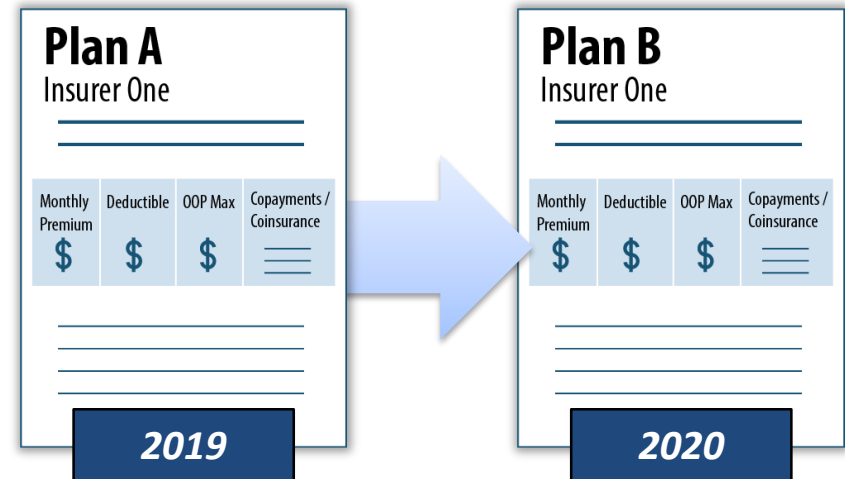


If current plan is not available:

- 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*

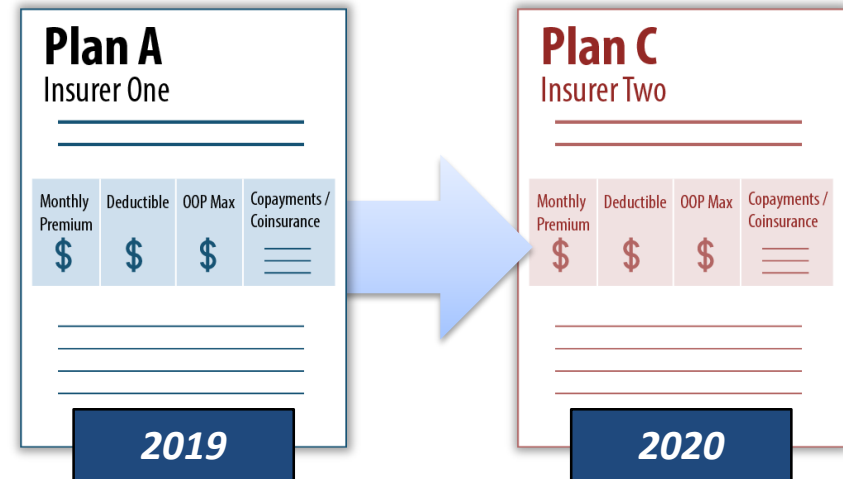


If current plan is not available and insurer no longer selling plans in the Marketplace:

- Will be matched with a **new plan with different insurer**

Note:

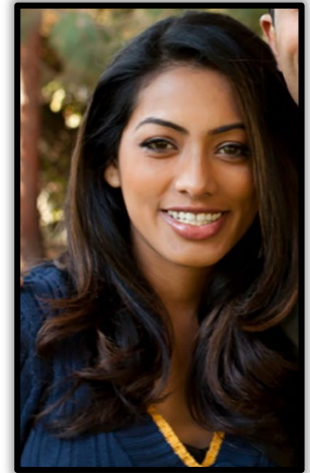
- Will receive a discontinuation notice from current insurer
- Marketplace will send a notice that the Marketplace matched person with different plan with different insurer (under no obligation to enroll in plan)
- Should receive notice from new insurer on new plan and details on paying first month's 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



- 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

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

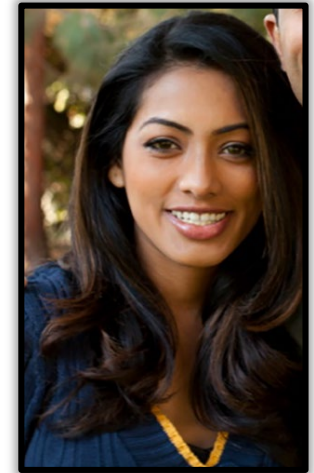


Katie checks her Marketplace account on December 20:

- 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 APTC 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**

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

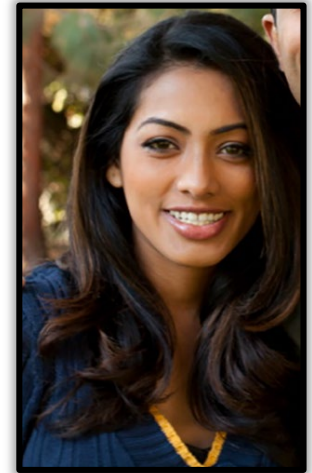


Changing plans after open enrollment ends *but before the new coverage year:*

- 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

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

- 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)

The screenshot shows a user interface for managing health insurance coverage. On the left is a navigation menu with items: My plans & programs, My plan profile, Eligibility & appeals, Applications details, Report a life change, Communication preferences, Exemptions, and Tax forms. The main content area is titled 'MY COVERAGE' and contains a section for 'My plans & programs' showing details for 'test2 Premiera Blue Cross Preferred Plus Bronze \$250 HSA' for 'Kamari and child' with a status of 'Initial Enrollment'. Below this is a 'PAY YOUR FIRST PREMIUM' button. A red box highlights a section titled 'Don't want your current coverage to continue into 2018?' which states: 'You can choose to end all of your Marketplace coverage on 12/31/2017. If you do this, we won't automatically enroll you in coverage next year.' Below this text is a 'STOP COVERAGE FOR 2018' button. A red arrow points from the second bullet point in the text to this button. Below the red box is another section titled 'Need to remove your application?' with text advising to only remove the application as a last resort and providing an important note about removing the application.

- 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

- 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*

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→ Twitter @TaraStraw
- General inquiries: beyondthebasics@cbpp.org

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