

Renewal of Eligibility for Qualified Health Plans and Insurance Affordability Programs in 2014: *Eligibility and Enrollment*

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Marketplace Options



Current Regulatory Process



Federal Alternative Procedures



State Alternative Procedures

Current Regulatory Process

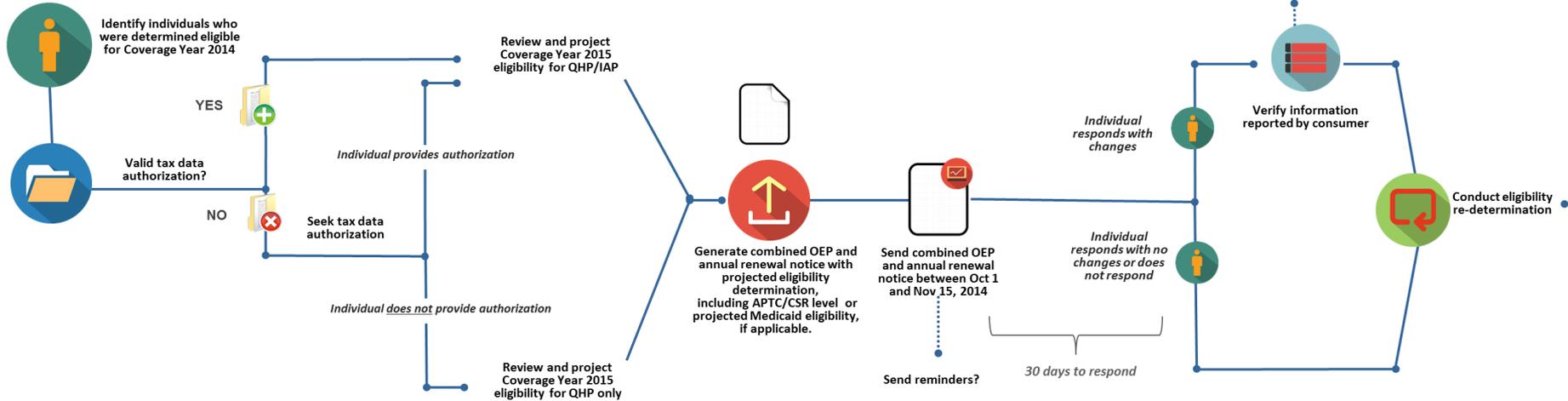


Current regulations outline a process where Marketplaces must redetermine eligibility for QHP enrollment on an annual basis, aligned with annual open enrollment periods.

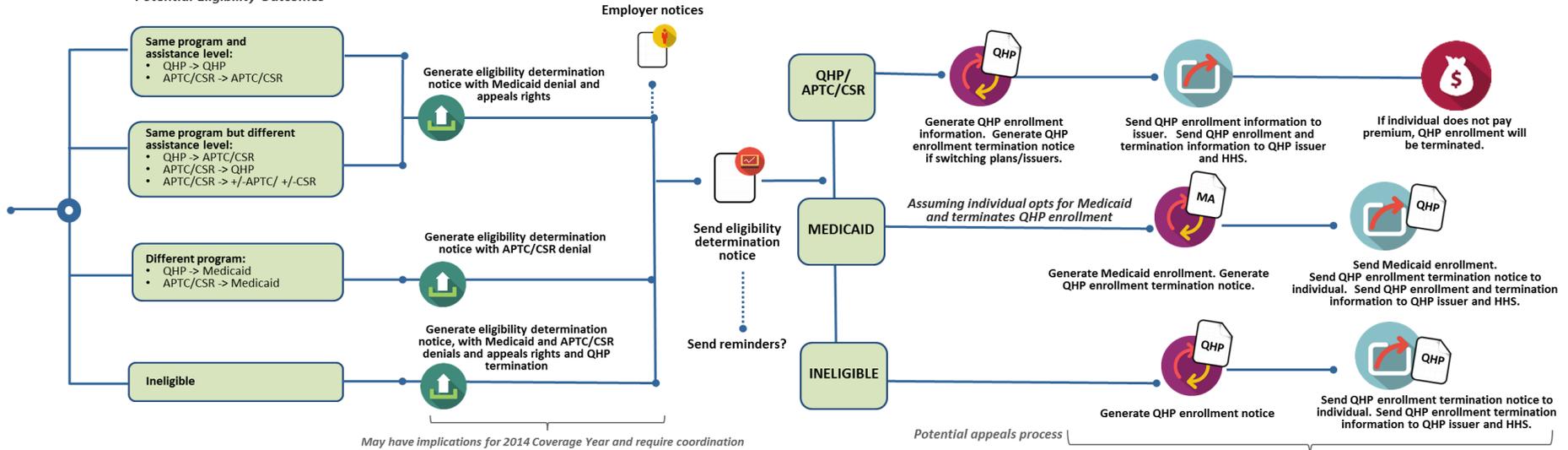
- Marketplaces obtain updated tax and MAGI-based income information and make a preliminary determination of eligibility for any individual who has been determined eligible for qualified health plan (QHP) enrollment (“qualified individuals”) and provided authorization to access their tax data.
- Marketplaces notify the consumer and provide an opportunity to respond.
- Marketplaces re-determine eligibility based on available and consumer-supplied information and re-enroll consumer to the same, or similar, plan.

Current Regulatory Process

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Potential Eligibility Outcomes



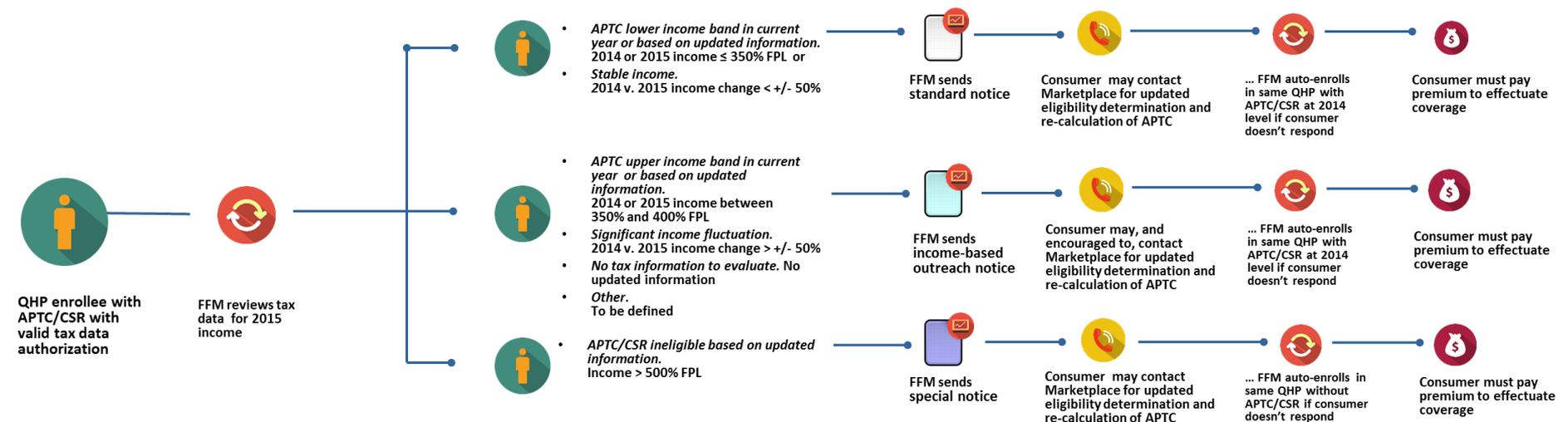
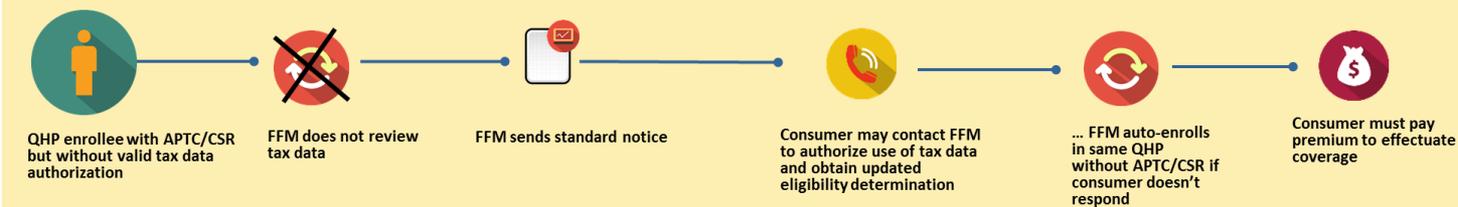
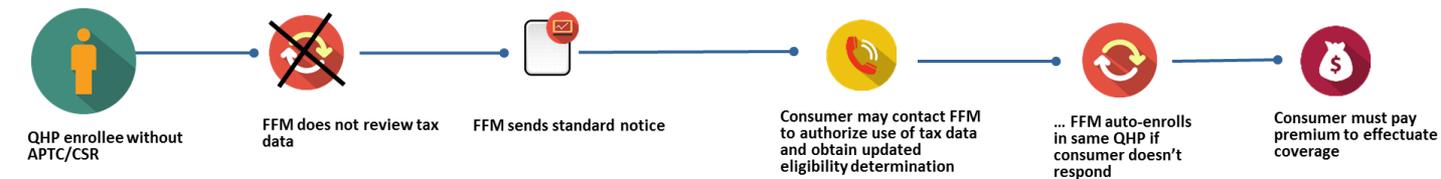
Federal Alternative Procedures

Under proposed guidance, alternative procedures for 2015 enable Marketplaces to maintain coverage that is the same as, or closest to, the consumer's coverage in 2014 without requiring the consumer to take any action.

- Marketplaces would conduct a focused review of 2014 tax return information (reflecting 2013 tax income) only if consumer has provided tax data authorization.
- If the 2014 tax return information indicates the consumer's income is not significantly over the advance premium tax credit (APTC) eligibility level – above 500% FPL – the Marketplace would continue financial assistance.
- An updated eligibility determination only triggered if consumers contact the Marketplace to update eligibility information, authorize access to tax data, adjust APTC level or select a new QHP.

FFM Alternative Procedures

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State Alternative Procedures



Under proposed guidance, State-based Marketplaces (SBMs) may specify alternative re-determination procedures for approval.

- CMS solicits comment on approval standards.
- State-designed procedures must facilitate continued enrollment in coverage for which the enrollee remains eligible, include clear information to the consumer (including any action necessary to obtain the most accurate redetermination), and provide adequate program integrity protections.

Discussion: Eligibility and Enrollment Process



- To what extent are states following the current regulatory process, adopting the alternative procedures, or seeking flexibilities?
- How are Marketplaces handling those consumers who were determined eligible for coverage but are not currently enrolled?
- How will Marketplace systems meet the demand for those renewing as well as those newly applying?
- What information is the Marketplace reviewing to re-determine eligibility for QHP enrollment and APTC/CSR? What are the Marketplace's obligations with respect to verification?
- How will the Marketplace assign APTC level for the next coverage year if the consumer does not respond?
- What types of volume mitigation strategies are Marketplaces employing? Are Marketplaces segmenting populations?
- How are you translating policy decisions into your IT planning?

Appendix



Marketplace must redetermine eligibility for QHP enrollment on an annual basis, aligned with annual open enrollment periods

Qualified Individual *(45 CFR 155.335(a))*

- Marketplace must redetermine eligibility for all “qualified individuals” – those who have been determined eligible for QHP enrollment, not just those who are enrolled.

IAP Eligibility and Tax Data Authorization *(45 CFR 155.335, 155.410)*

- Individuals who requested an IAP eligibility determination at application and have an active tax authorization must also have IAP eligibility re-determined.
- Marketplace may *not* proceed with IAP determination without active tax authorization.

Open Enrollment Periods *(45 CFR 155.410(e))*

- *Coverage Year 2015:* November 15, 2014 – February 15, 2015
- *Coverage Year 2016 and beyond:* October 15 – December 7 (*proposed*)

* Redeterminations during the benefit year do not satisfy the annual redetermination requirement.

QHP/APTC Renewal: Administrative Renewal

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Individuals have 30 days from the date of the annual renewal notice to review information and alert the Marketplace of changes. If:

Individual Responds With Changes *(45 CFR 155.335(e) - (g))*

- Marketplace must verify information and reconcile inconsistencies with data if applicable.
- Marketplace redetermines eligibility based on information in annual renewal notice, updated with information reported by individual if verified.

Individual Responds Without Changes or Does Not Respond *(45 CFR 155.335(h))*

- Marketplace redetermines eligibility based on information in annual renewal notice.



Marketplace must send annual open enrollment and renewal notices

Annual Open Enrollment Notice (45 CFR 155.410(d))

- Marketplaces must provide written notice no earlier than the first day of the month before the OEP begins and no later than the first day of the OEP.

Annual Renewal Notice (45 CFR 155.335(c), 155.410)

- Marketplaces must provide an annual redetermination notice with:
 - Projected eligibility
 - Amount of APTC and level of CSR
 - Eligibility for Medicaid/CHIP/BHP

Coordination of Notices (45 CFR 155.335(d))

- *Coverage Year 2015:* Annual renewal notice sent with annual open enrollment notice between October 1 and November 15, 2014.
- *Coverage Year 2016:* Regulations are silent.
- *Coverage Year 2017:* Annual renewal notice may be sent separate from annual open enrollment notice. Annual renewal notice must be sent after annual open enrollment notice and allow sufficient time for enrollee to review and respond.

¹ Time period for open enrollment for Year 2016 and beyond is not finalized

QHP/APTC Renewal: Eligibility Redetermination and Notice



Marketplace must redetermine eligibility effective as of the next coverage year, or in accordance with effective date provisions, and send eligibility determination notices to individuals and employers

Eligibility Redetermination Notice *(45 CFR 155.310(g), 155.335(h)(ii) - (iii), 155.230)*

- Marketplace must send “timely” written notice of eligibility redetermination result to enrollees
- Regulations for general Marketplace notices apply

Employer Notice *(45 CFR 155.310(h), 155.335(h)(ii) - (iii))*

- Marketplace must send employer notice if employee is determined eligible for APTC
- Notice must indicate:
 - Employee and eligibility for APTC
 - Potential employer liability for shared responsibility payment
 - Employer right of appeal

QHP Re-Enrollment



Enrollees who continue to be eligible for QHP will remain in the QHP selected from the previous year unless enrollee terminates or switches plans *(45 CFR 155.335(j))*



In proposed regulations, CMS establishes an approach that incorporates the framework governing “guaranteed renewability” of health insurance products *(45 CFR 146.106)*



CMS mirrors proposes a hierarchy for continuing QHP enrollment for those who remain eligible from one coverage year to the next. The hierarchy considers QHP:

- Issuer;
- Product;
- Plan; and,
- Metal level

The priority in the hierarchy is the QHP issuer relationship with the consumer *(Proposed 155.335(j))*

Re-determination during the Benefit Year/ Change Reporting



Marketplaces must redetermine the eligibility of an enrollee in a QHP during the benefit year if it receives and verifies new information reported by an enrollee or identifies updated information through data matching. *(45 CFR 155.330(a))*
(45 CFR 155.335(j))

Updated Information

- ***Regarding Death or Not Regarding Income, Family Size or Family Composition***

The Exchange must notify the enrollee of the updated information, projected eligibility and allow an enrollee 30 days to respond. If the enrollee responds with changes, Exchange must verify and reconcile inconsistencies. If the enrollee does not respond, the Exchange must proceed with redetermination. *(45 CFR 155.330(e)(2)(i))*

- ***Updated Information Regarding Income, Family Size or Family Composition.***

The Exchange must notify the enrollee of the updated information, projected eligibility and allow an enrollee 30 days to respond. If the enrollee responds with changes, Exchange must verify and reconcile inconsistencies. If the enrollee does not respond, the Exchange must maintain the enrollee's eligibility without consideration of updated information. *(45 CFR 155.330(e)(2)(ii))*

Effective Date of Eligibility Changes

- In general, the Exchange must make changes effective on the first day of the month following the date of the redetermination notice. *(45 CFR 155.330(f)(1))*
- The Exchange may determine at which point after the 15th of the month in which changes would effective the first day of the second following month but with exceptions. *(45 CFR 155.330(f)(2))*
- Other special exceptions: *(45 CFR 155.330(f)(1)(ii) & (f)(3))*

Special Enrollment Periods (SEP) Overview

A period outside of Open Enrollment when an individual or family may sign up for health insurance

Only applicants with a triggering event are eligible for a SEP

An applicant has 60 days from the SEP triggering event to select a Qualified Health Plan (QHP)

Triggering Events

The Exchange must allow an individual or enrollee and his/her dependent(s) to enroll in/change from one QHP or another if one of the following triggering events occurs:

- **Loss of minimum essential coverage (MEC)**
- **Gain a dependent or becomes a dependent through marriage, birth, adoption, placement for adoption or placement in foster care**
- **Change in immigration status (become a citizen, national or lawfully present)**
- **Enrollment/non-enrollment in a QHP was un-intentional, inadvertent, or erroneous and is the result of error, misrepresentation or inaction by the Exchange**
- **QHP substantially violated a material provision of its contract in relation to the enrollee**
- **Newly eligible/ineligible for Advance Premium Tax Credits/Cost Sharing Reductions as a result a change in household, income or available employer sponsored insurance**
- **Permanent move results in access to new QHPs**
- **Qualified Indian: may change from one QHP to another one time per month**
- **Other exceptional circumstances**
- **Misconduct by non-Exchange entity**

SEP Coverage Effective Dates

Regular	Effective Date
QHP selection between 1 st and 15 th of the month	1 st day of month following plan selection
QHP selection between 16 th and last of the month	1 st day of second month following plan selection
Special	Effective Date
Birth, adoption, placement for adoption/in foster care	Date of birth, adoption, placement for/in foster care (APTC/CSR are effective either: (a) date of the event that triggered SEP; or (b) in accordance with regular effective dates)
Marriage	1 st day of next month following plan selection
Loss of MEC	If loss of coverage is in the past: 1 st day of month following plan selection If loss of coverage is in the future: 1 st of the month following the loss of coverage
Enrollment in a QHP is the result of error, misrepresentation or inaction by the Exchange	Either: (a) date of the event that triggered SEP; or (b) in accordance with regular effective dates
QHP substantially violated material provision of enrollee's contract	Either: (a) date of the event that triggered SEP; or (b) in accordance with regular effective dates
Exceptional circumstances	Either: (a) date of the event that triggered SEP; or (b) in accordance with regular effective dates
New eligibility/ineligibility for tax credits/cost sharing reductions	1 st day of the following month

Proposed Exchange SEP Regulations (March 2014)

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Proposed regulations would modify SEP rules as follows:

- **Marketplace may elect to apply later effective date for birth/adoption SEP.**
- **Qualified individuals and their dependents may enroll in or change from one QHP to another if they are enrolled in a non-calendar year individual insurance policy in 2014 that is up for renewal outside of OEP.**
- **Women losing coverage of their Medicaid pregnancy related services are eligible for an SEP.**
- **Individuals have 180 days prior to the end of their MEC to select a QHP in order to avoid gaps in coverage (APTC/CSRs will not be provided in advance of the end of the MEC)**
- **Exchange has flexibility in determining effective dates for misconduct.**
- **Loss of MEC for an SEP does not include voluntary termination of coverage.**

Source: Notice of Proposed Rule Making: 45 CFR 155.420(b)(c)(d)(e)