



Date: March 26, 2014

From: Center for Consumer Information and Insurance Oversight,
Centers for Medicare & Medicaid Services

Title: Affordable Exchanges Guidance

Subject: Guidance for Issuers on People “In Line” for the Federally-facilitated Marketplace at the end of the Initial Open Enrollment Period

The law and regulations provide for special enrollment periods (SEPs), which are described in 45 CFR 155.420(d) and include, for example, life changes and errors in enrollment. Special enrollment periods permit individuals to enroll in a qualified health plan outside of open enrollment. This guidance describes treatment for consumers in the Federally-facilitated Marketplaces who are “in line” as of March 31.

CMS anticipates that high consumer traffic across various consumer enrollment channels (such as HealthCare.gov or the Marketplace call center) leading up to the March 31 deadline could potentially keep consumers from completing the enrollment process despite their efforts to meet the deadline. Should this occur, CMS will provide consumers who tried to enroll during the open enrollment period, but did not complete the process by March 31, a limited amount of additional time to finish the application and enrollment process.

Provided that consumers who were “in line” pay their first month’s premium by the deadline set by their chosen insurance company, we anticipate that enrollments made in the limited time after March 31 will have a May 1 coverage effective date. This is the coverage effective date that consumers would have had if they were able to complete enrollment by March 31 and is the normal effective date for enrollments between March 16 and April 15. As noted above, existing regulations allow consumers who have life changes, who have experienced errors, or who meet other criteria to be granted SEPs, allowing them to enroll or change coverage.

CMS will process information related to paper applications received by April 7 to capture those consumers who were “in line” with paper applications or whose applications were pending submission or review of supporting documentation on March 31. These consumers will be able to select a plan through April 30 to allow them time to receive an eligibility notice, and the coverage will also be effective May 1. Issuers will receive direction to effectuate accelerated effective dates for this group of consumers through the Health Insurance Casework System (HICS).

Consistent with previous CMS guidance, consumers who receive a special enrollment period for being “in line” by March 31 and select new coverage within the timeframes outlined in this guidance will be able to claim a hardship exemption from the shared responsibility payment for the months

prior to the effective date of their coverage, because they will be treated as if they had enrolled in coverage by March 31.

This guidance applies to the Federally-facilitated Marketplace, including State Partnership Marketplaces, and works in conjunction with previously published guidance on SEPs. State-based Marketplaces may elect to offer similar SEPs.