

Review of Federally-Facilitated Marketplace Special Enrollment Periods and Plan Category Limitations

February 2019



Agenda

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Note: Information throughout this presentation is relevant for our stakeholders helping consumers in the Federally-facilitated Marketplaces and states that use the federal platform (i.e. HealthCare.gov). It doesn't apply to states that are operating their own Marketplace platforms.

Special Enrollment Period (SEP) Overview

- Special Enrollment Periods (SEPs) provide an opportunity to individuals who experience certain qualifying events to enroll in or change their health coverage outside of the annual Open Enrollment Period.
- SEP qualifying events fall into six categories:
 - Loss of qualifying health coverage
 - Change in household size
 - Change in primary place of living
 - Change in eligibility for Marketplace coverage or help paying for coverage
 - Enrollment or plan error
 - Other situations
- SEP eligibility may depend on the consumer's prior coverage status, or the submission of documents to confirm eligibility. Coverage start dates may vary.
- For more information on SEP qualifying events, see:
 - **“Understanding SEPs”** (Fact Sheet): <https://marketplace.cms.gov/outreach-and-education/special-enrollment-periods-available-to-consumers.pdf>; and
 - **“SEP Overview”** (Webinar Slides): <https://marketplace.cms.gov/technical-assistance-resources/sep-overview-slides-7-11-2018.pdf>

Plan Category Limitations Overview

- **What is a plan category?** Health plans sold through the Marketplaces are divided into 4 “metal” categories: Bronze, Silver, Gold, and Platinum. Metal categories are based on how the plan splits the costs of health care services with enrollees. They have nothing to do with quality of care.
 - **Bronze plans**, have lower premiums, but higher out of pocket costs (like co-insurance and deductibles). On average, the insurance company pays about 60% of health care costs, and enrollees pay about 40%.
 - **Platinum plans**, have higher premiums, but lower out of pocket costs. On average, the insurance company pays about 90% of health care costs, and enrollees pay about 10%.
 - See <https://www.healthcare.gov/choose-a-plan/plans-categories/> for more information about plan categories.
- Plan categories also include “Catastrophic Plans,” which are available to some consumers based on age and other factors. These plans have low monthly premiums but very high deductibles. See <https://www.healthcare.gov/choose-a-plan/catastrophic-health-plans/> for more information about Catastrophic Plans.

Plan Category Limitations Overview (continued)

- *When do limitations for a consumer's choice of plan category apply to the plan categories that consumers can choose from?* Marketplace consumers may have a limited range of plan categories to choose from during their SEP window. Plan category limitations may apply when consumers:
 - Currently have a Marketplace plan,
 - Experience certain SEP-qualifying events, and
 - Want to change from their current plan.

- *Plan category limitations were established in the 2017 Patient Protection and Affordable Care Act Market Stabilization Rule:* <https://www.govinfo.gov/content/pkg/FR-2017-04-18/pdf/2017-07712.pdf>

Plan Category Limitations Overview (continued)

➤ *Who is subject to a plan category limitation?*

- Consumers and their dependents who qualify for certain SEPs and are already enrolled in Marketplace coverage.
- Newly added household members whose family is already enrolled, and who want to enroll in the same plan with one or more currently-enrolled family members.

➤ *Which SEPs are subject to plan category limitations?*

- Most common SEP types, like a loss of qualifying coverage, change in primary place of living, or change in household size.
- For most (but not all) SEP types subject to limitations, existing enrollees will generally only be able to choose from plans within the same plan category as their current plan. For example, someone who's already enrolled in a Bronze plan (and wants to change plans) will only view and be able to choose from Bronze category plans.

Plan Category Limitations Overview (continued)

- ***What about existing enrollees who become newly eligible for cost-sharing reductions (CSR)?***
 - Marketplace enrollees who become newly eligible for CSR – and who aren't already enrolled in a Silver plan – can change to a Silver plan so they can use their CSR.
 - For more information on CSR, see: <https://www.healthcare.gov/glossary/cost-sharing-reduction/>
- ***What about existing enrollees who do not qualify for an SEP, but who gain SEP-eligible dependents due to marriage, birth, adoption, foster care, or court order?***
 - To enroll in coverage together, existing enrollees must add any new household members to their current plan and generally can't change plans at all. Alternately, existing enrollees can place the newly added dependent in their own enrollment group and enroll them in any plan in any category for the remainder of the year.
- ***What if an existing enrollee can't add newly enrolling household members to their current plan?***
 - If a plan's business rules prevent an existing enrollee from adding a newly enrolling household member to their plan, the family can enroll together in a different plan in the same category. If no other plans are available in this category, the family can enroll together in plan with a category that's one level up or one level down.

Plan Category Limitations Overview (continued)

- ***Which SEPs are not subject to plan category limitations?***
 - Some SEPs, like those due to misrepresentation or plan display error, and gaining or maintaining status as a member of a federally recognized tribe or Alaska Native Claim Settlement Act (ANSCA) Corporation shareholder, or other very rare situations, don't limit consumers' ability to choose a new plan during a SEP window, if they want a different one.

- ***What about consumers newly enrolling in Marketplace coverage?*** Consumers newly enrolling in Marketplace coverage aren't limited in the plans they can choose to enroll in.
 - However, these consumers may have to submit documents to confirm information about their eligibility for an SEP. For more information, see:
 - <https://www.healthcare.gov/coverage-outside-open-enrollment/confirm-special-enrollment-period/>
 - <https://marketplace.cms.gov/technical-assistance-resources/pre-enrollment-verification-overview.pdf> (starting on slide 43).

Consumer Messaging for Plan Category Limitations

- *Where can I find information related to plan category limitations on HealthCare.gov?*
 - <https://www.healthcare.gov/coverage-outside-open-enrollment/changing-plans/>
- *Will there be information related to plan category limitations in the eligibility notice?*
 - Yes, the fact sheet section of the eligibility notice has been updated to reflect that plan choices may be limited. After plan category limitations are implemented, applications subject to plan category limitations will have additional information about these limitations for specific applicants.

Sample eligibility notice: Current Enrollee Limited to Current Plan Only & Added Member With SEP

Susan Griffith is a current enrollee. She added her newborn child, Baby Griffith, to her application using a Newborn SEP in order to enroll him in health coverage. Susan is limited to her current plan, while any plan can be selected for Baby Griffith.

Eligibility notice: Take action to enroll

Family member(s)	Results	Next steps Important: You must send documents. This notice includes deadlines and details.
Susan Griffith, Baby Griffith	<ul style="list-style-type: none"> Until December 3, 2018, you're eligible to enroll in a 2018 Marketplace plan through a Special Enrollment Period. Plan choice is based on your current plan. We need more information from you. 	<ul style="list-style-type: none"> Choose a plan.
Baby Griffith	<ul style="list-style-type: none"> Eligible to buy a 2018 Marketplace plan, including Catastrophic plans. 	<ul style="list-style-type: none"> Choose a plan by December 3, 2018 and pay your first month's premium. All plans are available to you.
Susan Griffith	<ul style="list-style-type: none"> Eligible to buy a 2018 Marketplace plan, but we need more information from you. 	<ul style="list-style-type: none"> Choose a plan by December 3, 2018 and pay your first month's premium. Your current coverage is available. Continue to enrollment and confirm this coverage.

Sample eligibility notice: Current Enrollee Limited to Current Category Only

Susan, a current enrollee, moves to a different county within her state and qualifies for the Permanent Move SEP. She adds her 21 year old son, Edward, to her application in order to enroll him in his own health coverage. Susan is limited to her current plan category (Bronze), while Edward may select from any available plan.

Family member(s)	Results	Next steps Important: You must send documents. This notice includes deadlines and details.
Susan Griffith, Edward Griffith	<ul style="list-style-type: none"> Until January 19, 2019, you're eligible to enroll in a 2018 Marketplace plan through a Special Enrollment Period. Plan choice is based on your current plan. 	<ul style="list-style-type: none"> Choose a plan.
Susan Griffith, Edward Griffith	<ul style="list-style-type: none"> Eligible to buy a 2018 Marketplace plan. 	<ul style="list-style-type: none"> Choose a plan by January 19, 2019 and pay your first month's premium. Susan Griffith: Your most recent plan was in the Bronze category. Continue to enrollment and confirm this coverage, or choose a new Bronze plan. Edward Griffith: All plans are available to you.

Sample eligibility notice: Current Enrollee Newly Eligible For Cost-Sharing Reductions (CSR)

Susan Griffith is a current enrollee who reports a change in income that makes her eligible for new financial help through a CSR SEP. She may select a plan from her current category (Bronze), or select a Silver plan with CSR that offers extra savings.

Family member(s)	Results	Next steps Important: You must send documents. This notice includes deadlines and details.
Susan Griffith	<ul style="list-style-type: none"> • Eligible to buy a 2018 Marketplace plan, but we need more information from you. • 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"> • \$644.00 each month, which is \$7,728.00 for the year, for your tax household. • This is based on the yearly household income of \$31,000.00—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 by January 29, 2019 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. • Your most recent plan was in the Bronze category. Continue to enrollment and confirm this coverage, or choose a new Bronze or Silver plan.

Example 1: Current enrollee qualifies for a SEP with limited plan category choices

- David, Leah, and their three children are enrolled together in a Gold plan.
- On March 3, the family moves from Springfield, IL to Chicago.
- The family reports their move on March 10, and they qualify for an SEP due to a change in primary place of living.
- The family can stay in their current plan, or change to another plan in the same category as their current plan (Gold).
- When confirming the coverage they want (their current plan or a new Gold plan), the family's results will show only Gold plans.
- The family changes to another Gold plan on March 11, and their new coverage starts on April 1.

Example 2: Current enrollees add a new dependent through a SEP with limited plan choices

- David, Leah, and their three children are enrolled together in a Bronze plan. On June 22, the family adopts a baby, Alex.
- David and Leah add Alex to their application on June 30.
- They can add Alex to their family's current Bronze plan by keeping him in the same enrollment group. Or they can group Alex separately so they can choose from all plans (any category) for his coverage for the rest of the year.
- On July 3, David and Leah enroll Alex separately in a Platinum plan. Alex's coverage starts retroactively, as of June 22, based on his adoption date.

Example 3: Current enrollees qualifying for a SEP with a limited ability to change plans

- Tanya is currently enrolled in a Silver plan. On April 17, she marries Charles.
- Tanya adds Charles to her application on April 25, and reports that they were married on April 17.
- Tanya is a current enrollee, so she can't change her current plan. Tanya can group Charles with her to enroll in her existing Silver plan together. Or she can group Charles separately and can choose from all plans (any category) for his coverage for the rest of the year.
- Tanya and Charles decide to include him with Tanya and enroll together in her Silver plan. Their coverage begins May 1.

Example 4: Current enrollees in different plans qualify for a SEP where their ability to change plan categories is limited

- David and Leah are enrolled together in a Gold plan. Their daughter, Annie, is enrolled in her own Silver plan, and David and Leah's two other children, Dan and Amy, are enrolled together in a separate Silver plan.
- On July 13, the family of five moves from one part of Virginia to another, and thus qualify for an SEP due to a change in their primary place of living.
- The family members can each select from any plan within their current categories – Gold for David and Leah; Silver for Annie, and Silver for Dan and Amy.
- On July 22, David and Leah report their move and enroll together in a new Gold plan. They enroll Annie, Dan and Amy together in a Silver plan, which they are able to do because all three children were previously enrolled in Silver plans. The family's new coverage will be effective September 1.

Example 5: New enrollee qualifying for a SEP, but not able to enroll with current enrollees

- Alex and Jamie are enrolled together in a Silver plan. On January 15, Alex's 25 year old daughter, Emily, leaves her job to go back to school. Once she leaves her job, she will lose her employee sponsored health coverage at the end of the month, which makes her eligible for a Loss of MEC SEP. Alex and Jamie add her to their application, and report that she will lose coverage as of January 31. Because she is a new enrollee, Emily has the option to select a plan from any available plan category, or she can enroll with her parents in their current plan. Alex and Jamie are not SEP eligible and because they are current enrollees, they may not make changes to their current silver plan.
 - On January 30, Emily attempts to enroll with Alex and Jamie in their Silver plan. However, the plan's business rules do not allow an additional adult dependent to be added.
 - Because the family cannot add Emily to their current plan, Alex and Jamie may select another available plan in their current plan category of Silver.
 - Alex and Jamie select a new Silver plan that allows them to add Emily
 - Alex, Jamie, and Emily's new coverage will begin February 1.

Example 6: Limited Plan Availability When New Member Attempts to Enroll With Current Members

- Conditions from Example 5 remain static. However, there are no other Silver plans available where Alex, Jamie, and Emily live, and thus they are unable to enroll together into a plan in that plan category.
- Therefore, the family can select a plan that is one plan category up or down from their current Silver category (e.g. up to a Gold plan, or down to a Bronze plan).
- The family selects a Bronze plan and enrolls in coverage effective February 1.

Example 7: Parents Gain A Dependent and Wish to Enroll Him In His Own Plan

- Luis and Lucia are enrolled in a Bronze plan during Open Enrollment. On March 21, they adopt a son, Martin, who qualifies for an SEP due to becoming a dependent.
- On April 2, Lucia updates the family's HealthCare.gov account to add Martin and attest to his March 21 adoption.
- Luis and Lucia could add Martin to their current Bronze plan, but prefer to enroll him in his own Platinum plan. Luis and Lucia are limited to their current Bronze plan.
- Therefore, before comparing plans to enroll in, Lucia moves Martin from being in an enrollment group with her and Luis, to being in his own enrollment group, so that the plans available just to Martin, as a new dependent, will be displayed.
- Then, Lucia proceeds through Plan Compare, selects a Platinum plan for Martin, and confirms her and Luis's current Bronze plan.
- Martin's new Platinum plan takes effect as of March 21, and Lucia and Luis's coverage does not change.

Additional References

- General SEP Information for 2019:
<https://www.healthcare.gov/coverage-outside-open-enrollment/special-enrollment-period/>
- Changing Plans In 2019—What You Need to Know:
<https://www.healthcare.gov/coverage-outside-open-enrollment/changing-plans/>