Federally Facilitated Marketplace Eligibility & Enrollment Learning Collaborative

Marketplace Renewal & Interaction with Medicaid/CHIP

September 10, 2014
2:00 – 3:00pm ET

URL: https://manatt.webex.com/manatt/onstage/g.php?t=a&d=570829165
Event Password: Renewal1
Dial: 1.866.922.3257
Passcode: 514849#
Agenda

- Background Context
- Federal Alternative Procedures for Renewal
- State Medicaid/CHIP Agency & FFM Interactions
- Discussion

Information in this deck subject to change
Background Context
The Affordable Care Act, and subsequent guidance from CMS, specifies procedures Marketplaces must follow to effectuate annual eligibility redeterminations.

On September 5th, CMS published final guidance enabling Marketplaces to use “alternative renewal procedures” for the 2015 plan year.

The FFM will use the “alternative procedures” as laid out in the final guidance for the 2015 plan year. State-based Marketplaces will also be able to use these alternative procedures, or can propose their own.

As part of the renewal procedures, the FFM will communicate with enrollees by sending notices. Issuers will also send their enrollees renewal and discontinuation notices, as described in the Insurance Standards Bulletin Series document released on June 26th.

The “alternative procedures” seek to preserve an enrollee’s ability to take no action and still have his or her coverage renewed for 2015, promoting continuity of coverage while limiting administrative burden for enrollees, issuers and Marketplaces.
Key Terms in Relation to FFM Alternative Procedures

AUTO-ENROLLMENT

If an enrollee remains eligible for QHP coverage, the enrollee will be automatically enrolled into a plan offered by his/her current QHP issuer - either:

- Enrolled into the same plan, if it continues to be available, or a similar plan under the same type of product (e.g., HMO) (“Renewal”)

- Enrolled into a different plan in a different product if the product is discontinued

REDETERMINATION

Re-determining eligibility for Insurance Affordability Programs – financial assistance (tax credits and cost-sharing reductions), Medicaid and CHIP

RELATION TO FFM ALTERNATIVE PROCEDURES

QHP enrollees will only receive a redetermination of eligibility (including an assessment/determination of eligibility for Medicaid/CHIP) if they return to healthcare.gov and receive a 2015 eligibility determination
Federal Alternative Procedures for Renewal
Overview of Federal Alternative Procedures

SORT & REVIEW

The FFM sorts all individuals who were determined eligible for Marketplace coverage for 2014 into groups based on four factors:

- Enrollment into QHP
- Receipt of financial assistance
- Authorization to request tax data
- Income in 2014 and for 2015

For some people, the FFM will access tax returns to obtain the most up-to-date income information.

The three groupings are:

1. Standard
2. Income-based
3. Special

Defined on the next slides

NOTICES

Based on the groupings, the FFM sends a renewal notice to describe the annual process.

Issuers send enrollees QHP renewal and discontinuation notices.

AUTO-ENROLLMENT

If an individual does not respond to the notice by 12/15/14, he/she is auto-enrolled into the same/similar plan, if available, or if discontinued, into a different plan; most individuals will continue to receive financial assistance.

REDETERMINATION

If an individual responds to the notice by returning to healthcare.gov, he/she will receive a 2015 eligibility determination, which may include a determination for financial assistance or assessment/determination for Medicaid/CHIP.

The individual must effectuate by confirming enrollment in a QHP or terminating QHP coverage.
Three FFM Open Enrollment Notices

**STANDARD:**
Notice provides standard information about the annual redetermination and renewal process.

**INCOME-BASED:**
Notice encourages those who are most likely to have experienced a change in eligibility to come to the Marketplace for a redetermination.

**SPECIAL:**
Notice alerts those with high income (>500% FPL) that their financial assistance will be terminated in 2015 and encourages them to come to the Marketplace for a redetermination.
Who Receives Which Notices

Enrollees receiving financial assistance with tax data authorization

- **STANDARD:** Notice provides standard information about the annual redetermination and renewal process

- **INCOME-BASED:** Notice encourages those who are most likely to have experienced a change in eligibility to come to the Marketplace for a redetermination

- **SPECIAL:** Notice alerts those with higher income (>500% FPL) that their financial assistance will be terminated in 2015 if they do not come to the Marketplace for a redetermination

All other qualified individuals

- Full-pay QHP enrollees (w/ or w/out tax data authorization)
- Enrollees receiving financial assistance w/out tax data authorization
- Individuals determined eligible but not enrolled in a QHP

- **STANDARD:** Notice provides standard information about the annual redetermination and renewal process
# Federal Alternative Procedures: Standard Group

## STANDARD

<table>
<thead>
<tr>
<th>1</th>
<th>WHO</th>
<th>2</th>
<th>FFM NOTICE CONTENT</th>
<th>3</th>
<th>ISSUER NOTICE CONTENT</th>
<th>4</th>
<th>OUTCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>WHO</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receiving financial assistance, with tax data authorization, stable income* and &lt;350% FPL**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OR</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without tax data authorization, with or without financial assistance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OR</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not receiving financial assistance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OR</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Did not enroll in QHP</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>FFM NOTICE CONTENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Description of annual redetermination and renewal process</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Requirement/instructions to report changes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Last day for plan selection and open enrollment period</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group-specific information on next steps</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>For enrollees receiving tax credits: information about the reconciliation process</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>For enrollees receiving tax credits and/or cost sharing reductions without tax data authorization: explanation that unless they contact the Marketplace to obtain an updated eligibility determination, financial assistance will end on 12/31/14</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ISSUER NOTICE CONTENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015 monthly premium and 2014 monthly APTC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>If plan will be available in 2015, any changes to the plan</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>If plan will not be available in 2015, what plan the consumer will be enrolled in and key differences between old and new plans</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OUTCOME</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>With tax data authorization: Renewed with same/similar plan if available and 2014 levels of financial assistance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without tax data authorization: Renewed with same/similar plan if available; financial assistance discontinued</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Triggers redetermination of 2015 eligibility for APTC/Medicaid/CHIP</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Effectuates new determination by confirming enrollment in a QHP or terminating QHP coverage</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

* Stable income = 2014 vs. 2015 income change < +/- 50%
** Based on 2013 federal income tax return or most recent 2014 Marketplace eligibility determination
# Federal Alternative Procedures: Income-Based Group

## INCOME-BASED

<table>
<thead>
<tr>
<th>WHO</th>
<th>FFM NOTICE CONTENT</th>
<th>ISSUER NOTICE CONTENT</th>
<th>OUTCOME</th>
</tr>
</thead>
</table>
| Receiving financial assistance, with tax data authorization AND: | **Messages in Standard notice**, plus:  
- Marketplace strongly encourages consumer to contact Marketplace. If enrollee fails to return to the Marketplace, their 2014 eligibility will be continued for 2015 | Same as in Standard Issuer Notice | **Renewed with same/similar plan if available and 2014 levels of financial assistance** |
| • Stable income* and 350-500% FPL** | | | **Triggers re-determination of 2015 eligibility for APTC/Medicaid/CHIP** |
| OR | | | **Effectuates new determination by confirming enrollment in a QHP or terminating QHP coverage** |
| • Significant income fluctuation*** | | | |
| OR | | | |
| • IRS has no updated tax data | | | |

---

* Stable income = 2014 vs. 2015 income change < +/- 50%
** Based on 2013 federal income tax return or most recent 2014 Marketplace eligibility determination
*** Significant income fluctuation = 2014 vs. 2015 income change > +/- 50%
# Federal Alternative Procedures: Special Group

<table>
<thead>
<tr>
<th>WHO</th>
<th>FFM NOTICE CONTENT</th>
<th>ISSUER NOTICE CONTENT</th>
<th>OUTCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Receiving financial assistance with tax data authorization AND:</td>
<td>Messages in Standard notice, plus:</td>
<td>Same as in Standard Issuer Notice</td>
</tr>
<tr>
<td></td>
<td>• Most recent tax return information shows income &gt; 500% FPL</td>
<td>• Financial assistance will end on 12/31/14 and coverage in 2015 will be without financial assistance if consumer does not contact Marketplace for updated eligibility determination before the deadline to make a plan selection for 1/1/15</td>
<td></td>
</tr>
</tbody>
</table>

**OUTCOME**

- Renewed with same/similar plan if available without financial assistance
- Triggers re-determination of 2015 eligibility for APTC/Medicaid/CHIP
- Effectuates new determination by confirming enrollment in a QHP or terminating QHP coverage
State Medicaid/CHIP Agency & FFM Interactions
Potential Responses to Renewal Notice

**Scenario 1**
Consumer reviews notice and does not wish to make any changes
Consumer does nothing

**No interaction with the state**

**Scenario 2**
Consumer reviews notice and wishes to make a change
Consumer returns to healthcare.gov

**Potential account transfer to state**

**Scenario 3**
Consumer wishes to apply for Medicaid/CHIP
Consumer goes to state Medicaid/CHIP agency

**Direct interaction with state**
Scenario 1: No Response to Renewal Notice

Scenario:
QHP enrollee with financial assistance receives FFM/Issuer notices and does not go to healthcare.gov or state Medicaid/CHIP agency

Impact on Coverage:

- Nov 2014
- Dec 2014
- Jan 2015
- Feb 2015

No change in 2014 coverage  →  Renewed coverage* begins 1/1/15

*With or without financial assistance, depending on tax authorization/income
Scenario 2: Assessed/Determined Medicaid/CHIP Eligible by FFM

After receiving FFM/Issuer notices, a QHP enrollee with financial assistance:
- Returns to healthcare.gov
- Receives a 2015 eligibility determination
- Is assessed/determined Medicaid/CHIP eligible

Subsequent Actions

FFM:
- Transfers account to state Medicaid/CHIP agency
- Sends consumer eligibility determination or assessment notice

State Agency:
- **Assessment State**: Receives account and processes eligibility
  - If determines consumer eligible: Sends consumer notice; effectuates Medicaid enrollment; sends response to FFM
  - If determines consumer ineligible: Transfers account back to FFM
- **Determination State**: Receives account; sends consumer notice; effectuates Medicaid enrollment; sends response to FFM
Scenario 3: Determined Medicaid/CHIP Eligible by State Agency

Scenario
A consumer enrolled in a QHP with financial assistance goes to the State Medicaid/CHIP Agency and applies for Medicaid/CHIP; State Medicaid/CHIP Agency is unaware that applicant is a QHP enrollee

Subsequent Actions
State Medicaid/CHIP Agency:
• Processes eligibility
  • If determines consumer eligible: Sends consumer notice and effectuates Medicaid enrollment, with retroactive coverage if applicable
  • If determines consumer ineligible: Transfers account to the FFM

FFM:
• Unaware of Medicaid enrollment, the FFM proceeds as in Scenario 1 (no response from consumer) and auto-enrolls for 2015 coverage
Discussion
Thank you!