

Medicaid and CHIP

**MAC**

*Learning Collaboratives*

# 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

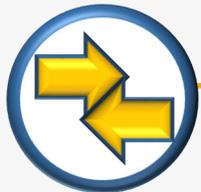
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**Background Context**



**Federal Alternative Procedures for Renewal**



**State Medicaid/CHIP Agency & FFM Interactions**



**Discussion**

# Background Context

# Final Guidance on Alternative Renewal Procedures



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 26<sup>th</sup>.

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

5



## 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

No response



Returns to healthcare.gov



## 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:**

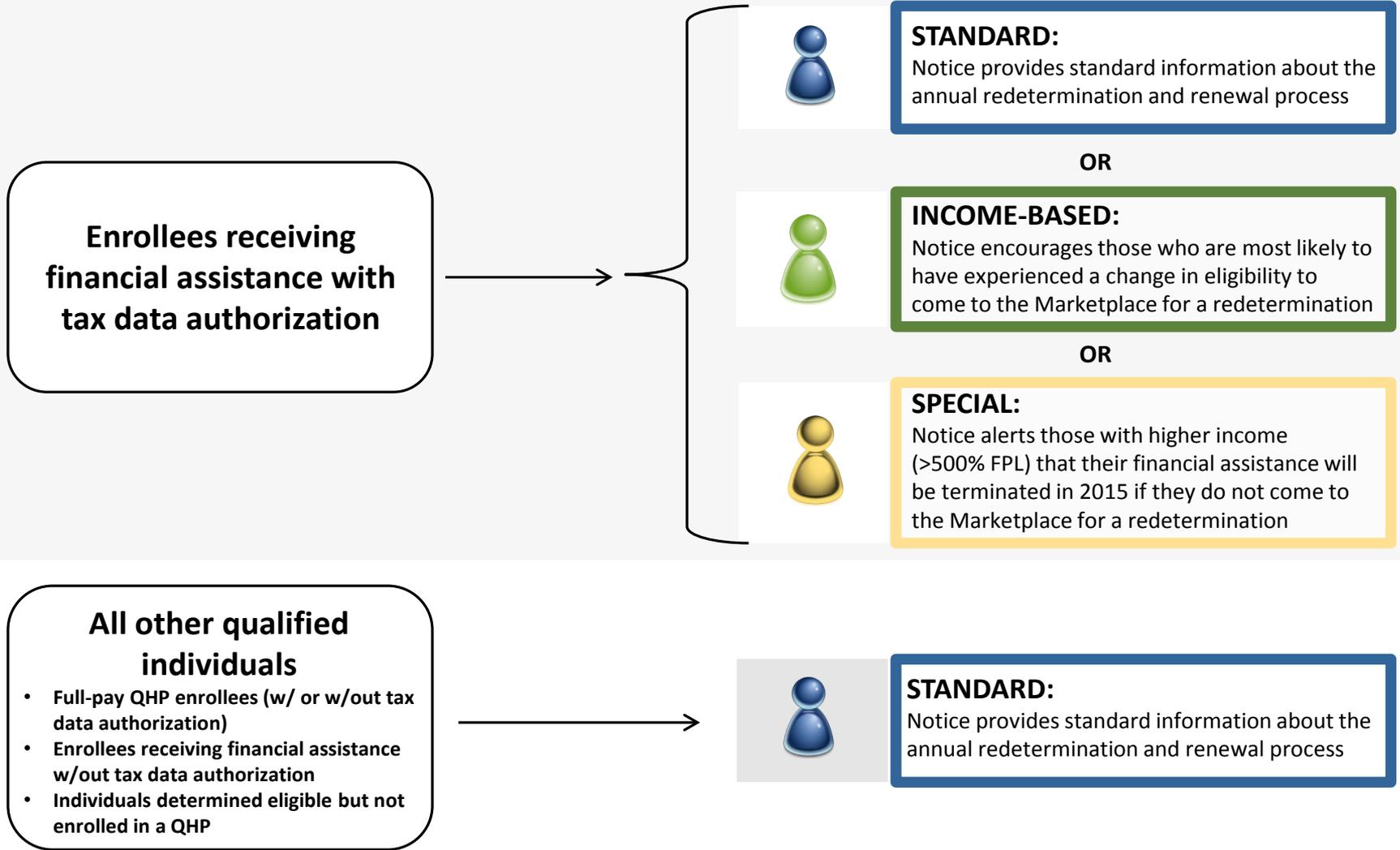
Notice encourages those who are most likely to have experienced a change in eligibility to come to the Marketplace for a redetermination



**SPECIAL:**

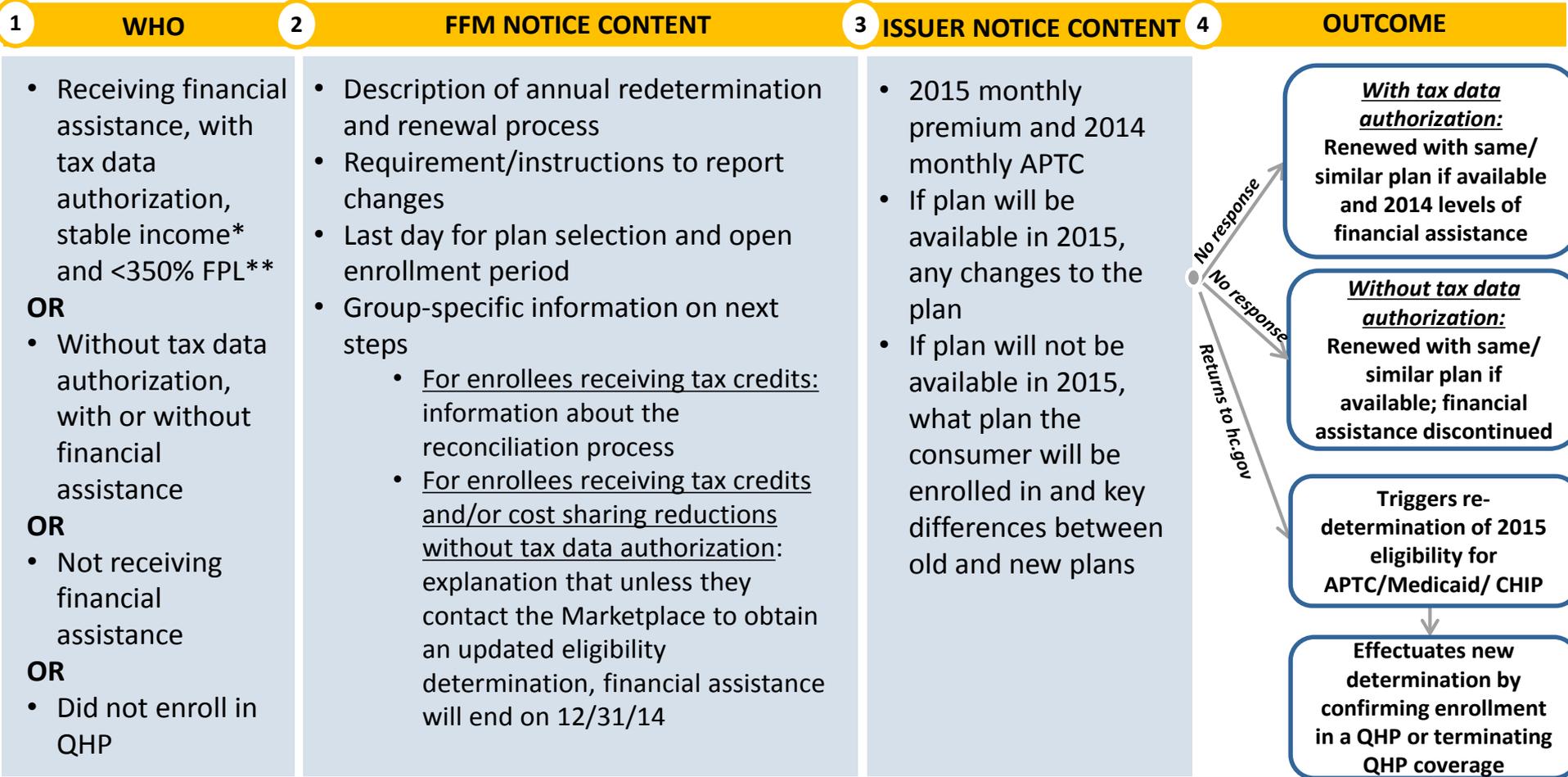
Notice alerts those with high income (>500% FPL) that their financial assistance will be terminated in 2015 and encourages them to come to the Marketplace for a redetermination

# Who Receives Which Notices



# Federal Alternative Procedures: Standard Group

## STANDARD



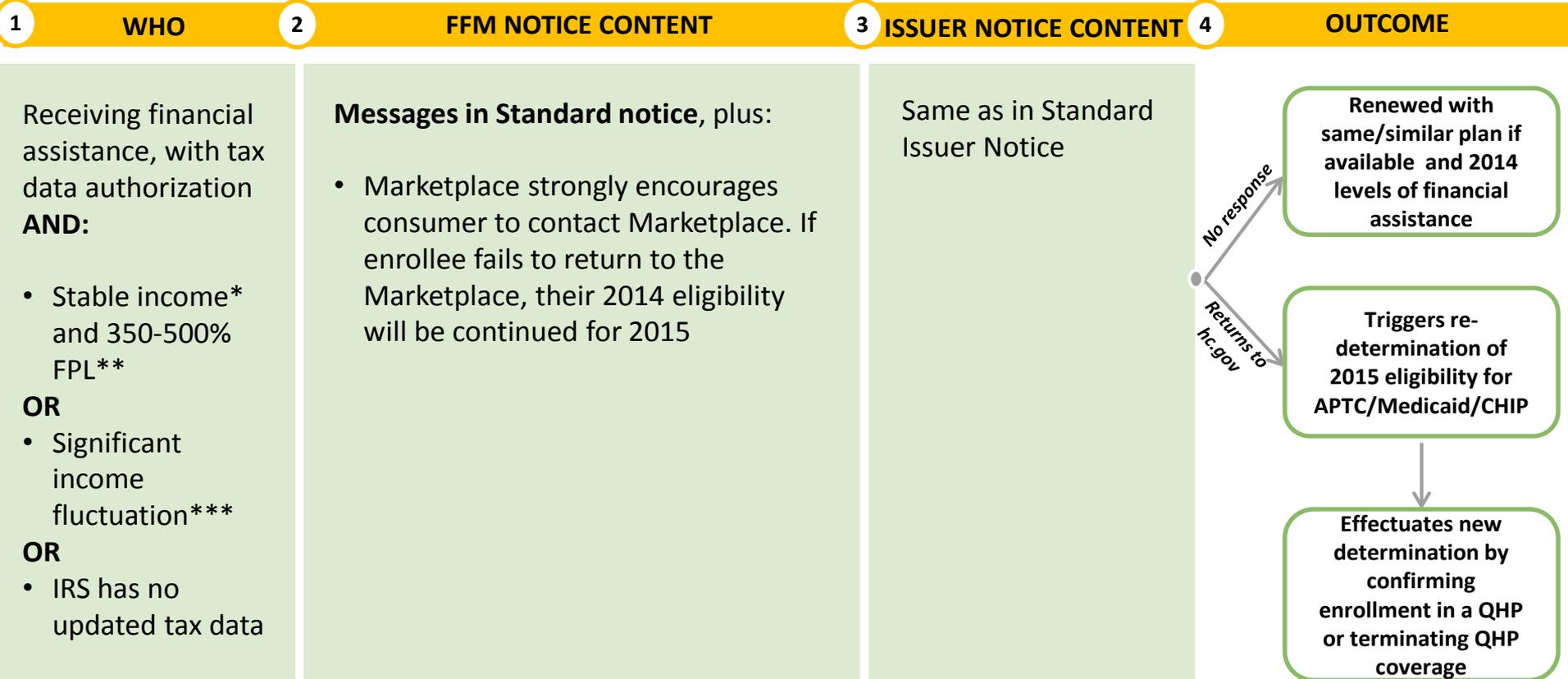
\* Stable income = 2014 vs. 2015 income change < +/- 50%

\*\* Based on 2013 federal income tax return or most recent 2014 Marketplace eligibility determination

# Federal Alternative Procedures: Income-Based Group



## INCOME-BASED

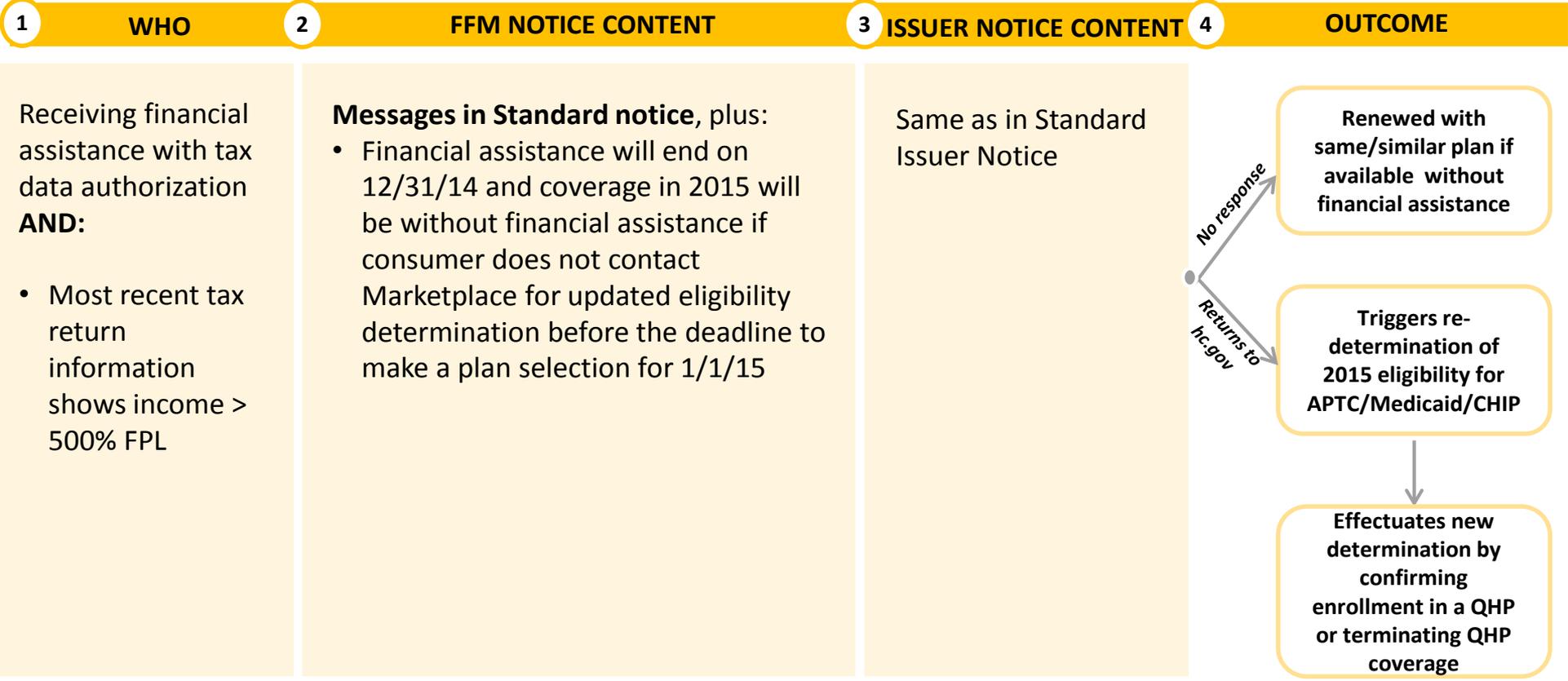


\* Stable income = 2014 vs. 2015 income change < +/- 50%  
 \*\* Based on 2013 federal income tax return or most recent 2014 Marketplace eligibility determination  
 \*\*\* Significant income fluctuation = 2014 vs. 2015 income change > +/- 50%

# Federal Alternative Procedures: Special Group

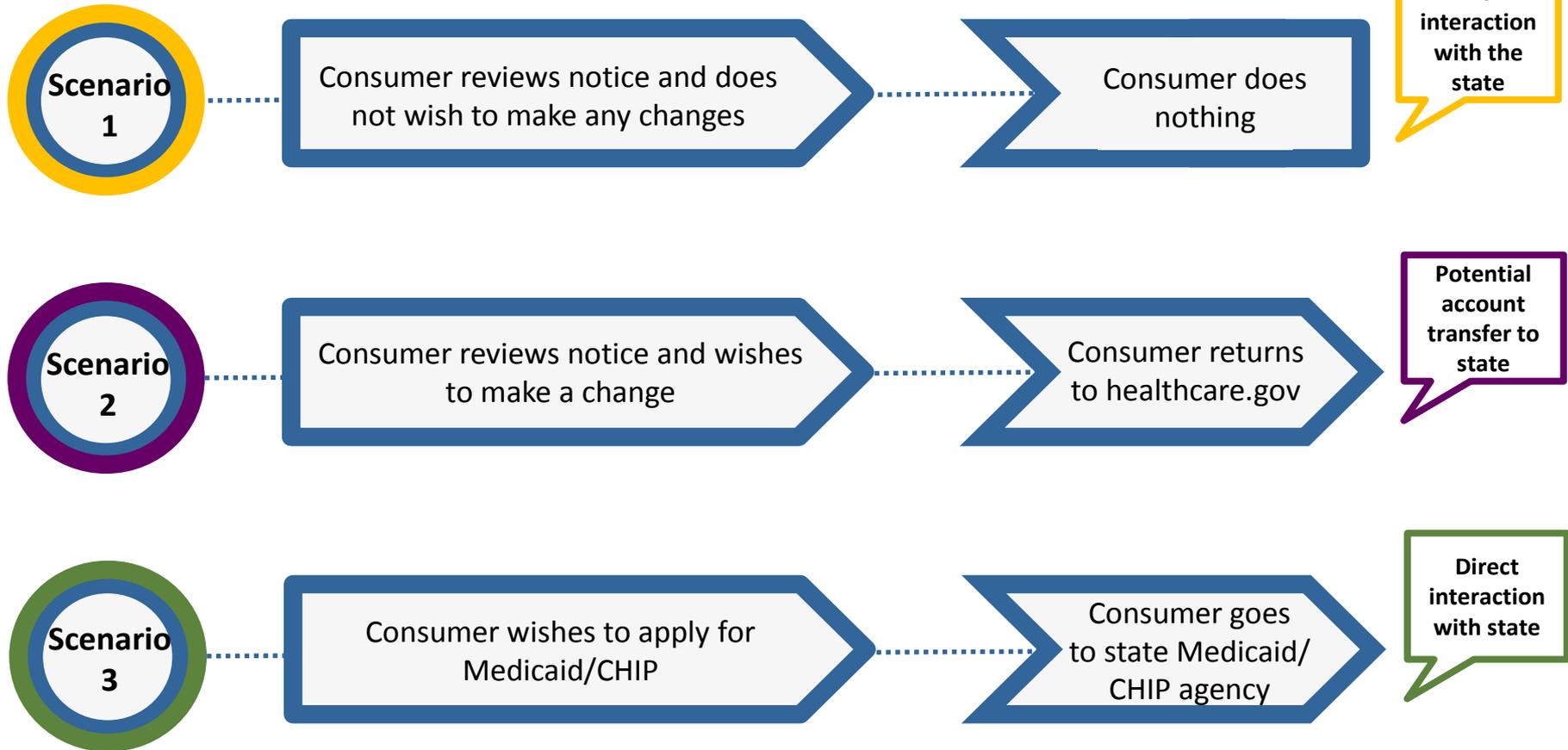


## SPECIAL



# State Medicaid/CHIP Agency & FFM Interactions

# Potential Responses to Renewal Notice

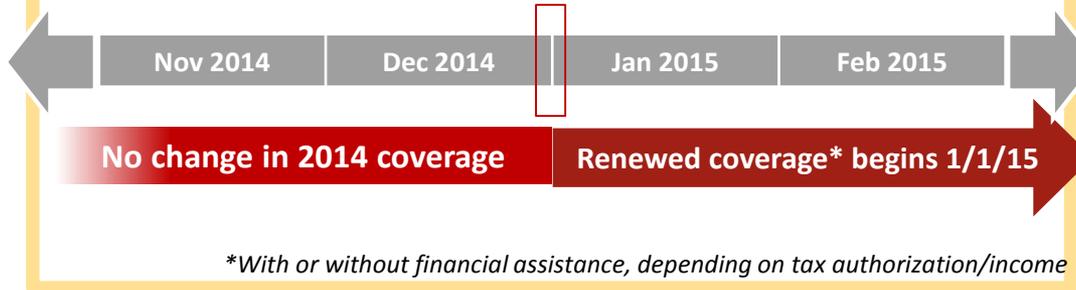


# Scenario 1: No Response to Renewal Notice

## 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



*\*With or without financial assistance, depending on tax authorization/income*

## Scenario 2: Assessed/Determined Medicaid/CHIP Eligible by FFM

16

### Scenario

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 17

## 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!**