Covered California Webinar

Eligibility and Enrollment: Proposed State Regulations

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Date: Friday May 10, 2013
Time: 8:00am – 9:30am

Agenda

1. Covered California's Vision, Mission and Values
2. Key Components to Success
3. Eligibility and Enrollment Guiding Principles
4. Key Eligibility Milestones
5. Proposed State Regulations

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Covered California™
Vision, Mission and Values

The vision of the Covered California is to improve the health of all Californians by assuring their access to affordable, high quality care.

The mission of the Covered California is to increase the number of insured Californians, improve health care quality, lower costs, and reduce health disparities through an innovative, competitive marketplace that empowers consumers to choose the health plan and providers that give them the best value.

The Covered California is **guided by the following values:**

- **Consumer-focused:** At the center of Covered California's efforts are the people it serves, including patients and their families, and small business owners and their employees. Covered California will offer a consumer-friendly experience that is accessible to all Californians, recognizing the diverse cultural, language, economic, educational and health status needs of those we serve.
- **Affordability:** Covered California will provide affordable health insurance while assuring quality and access.
- **Catalyst:** Covered California will be a catalyst for change in California's health care system, using its market role to stimulate new strategies for providing high-quality, affordable health care, promoting prevention and wellness, and reducing health disparities.
- **Integrity:** Covered California will earn the public's trust through its commitment to accountability, responsiveness, transparency, speed, agility, reliability, and cooperation.
- **Partnership:** Covered California welcomes partnerships, and its efforts will be guided by working with consumers, providers, health plans, employers and other purchasers, government partners, and other stakeholders.
- **Results:** The impact of Covered California will be measured by its contributions to expanding coverage and access, improving health care quality, promoting better health and health equity, and lowering costs for all Californians.

Key Components to Success

Eligibility and Enrollment Guiding Principles

- Through a “No Wrong Door” approach, promote maximum enrollment into coverage.
- Facilitate a smooth enrollment process beginning with the use of a single, streamlined application and seamless renewal process.
- Present information in a manner that is accurate, accessible, understandable and transparent to consumers to inform and educate them.
- Continue to learn and adjust strategies and tactics based on input from our national partners, California stakeholders, ongoing research, evaluation and measurement of the programs’ impact on awareness and enrollment.

Key Eligibility Milestones

March 23, 2010

- The Patient Protection Patient Protection and Affordable Care Act (PPACA) is passed and signed into law.

July 15, 2011

- Center for Medicaid and Medicare Services (CMS) issues proposed rules Establishment of Exchanges and Qualified Health Plans

March 27, 2012

- Center for Medicaid and Medicare Services (CMS) issues guidance in the form of Interim Final Regulations that establishes the State Exchanges

January 22, 2012

- The Centers for Medicare & Medicaid Services (CMS) issues proposed rule that address the coordination of the application, enrollment and appeal process.

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Eligibility & Enrollment

Draft Proposed State Regulations

(Covered California Individual Subsidized and Non-Subsidized Programs)

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Eligibility and Enrollment Regulations

(Covered California Individual Subsidized and Non-Subsidized Programs)

Articles and Sections of the draft Eligibility and Enrollment proposed State Regulations related to subsidized and non-subsidized programs are as follows:

Articles	Sections (Table of Contents)
Article 2: Abbreviations and Definitions	• Abbreviations and definition of terms throughout the proposed State Regulations
Article 4: General Provisions	• Accessibility and Readability Standards • Exemption from Individual Responsibility
Article 5: Application, Eligibility and Enrollment Process for the Individual Exchange	• Application • Eligibility Requirements for Advanced Premium Tax Credits and Cost Sharing Reductions • Eligibility Determination Processes • Verification Processes & Inconsistencies • Special Eligibility Standards for Federally Recognized Native American Indians • Annual Eligibility and Redetermination • Initial and Annual Open Enrollment • Special Enrollment Period • Termination of Coverage • Appeals of Eligibility Determinations (Reserved/Placeholder)

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ARTICLE 2:
ABBREVIATIONS AND DEFINITIONS

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Abbreviations and Definitions

Covered California Abbreviations	
APTC	Advance Payments of Premium Tax Credit
AI/AN	American Indian/Alaska Native
CHIP	Children's Health Insurance Program
CCP	Covered California Plan
CSR	Cost-Sharing Reduction
DHS	U.S. Department of Homeland Security
FPL	Federal Poverty Level
HHS	U.S. Department of Health and Human Services
MAGI	Modified Adjusted Gross Income
MEC	Minimum Essential Coverage
TIN	Taxpayer Identification Number

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Abbreviations and Definitions (continued)

Advance Payments of Premium Tax Credit (APTC): Payment of the tax credits authorized by 26 U.S.C. 36B and its implementing regulations, which are provided on an advance basis to an eligible individual enrolled in a QHP through an Exchange in accordance with Section 1412 of the Affordable Care Act.

Applicable Children's Health Insurance Program (CHIP) MAGI–based Income Standard: The applicable income standard as defined at 42 CFR § 457.310(b)(1), as applied under the State plan adopted in accordance with title XXI of the Social Security Act, or waiver of such plan and as certified by the State CHIP Agency in accordance with 42 CFR § 457.348(d), for determining eligibility for child health assistance and enrollment in a separate child health program.

Applicable Medi-Cal Modified Adjusted Gross Income (MAGI)-based Income Standard: The same standard as "applicable modified adjusted gross income standard," as defined at 42 CFR §435.911(b), as applied under the State plan adopted in accordance with title XIX of the Social Security Act, or waiver of such plan, and as certified by the DHCS in accordance with 42 CFR § 435.1200(b)(2) for determining eligibility for Medi-Cal.

Cost-sharing: Any expenditure required by or on behalf of an enrollee with respect to receipt of Essential Health Benefits; such term includes deductibles, coinsurance, copayments, or similar charges, but excludes premiums, balance billing amounts for non-network providers, and spending for non-covered services.

Abbreviations and Definitions (continued)

Cost-Sharing Reduction (CSR): Reductions in cost-sharing for an eligible individual enrolled in a silver level plan in the Exchange or for an individual who is an Indian enrolled in a QHP in the Exchange.

Federal Poverty Level (FPL): The most recently published Federal poverty level (FPL), updated periodically in the Federal Register by the Secretary of Health and Human Services under the authority of 42 U.S.C. § 9902(2), as of the first day of the annual open enrollment of Article 5 of this chapter.

MAGI-based Income: Income as defined in 42 CFR § 435.603(e).

Minimum Essential Coverage (MEC): Coverage as defined in Section 5000A(f) of IRC (26 U.S.C. § 5000A(f)) and in 26 CFR § 1.36B-1(c).

Modified Adjusted Gross Income (MAGI): Income as defined in Section 36B(d)(2)(B) of IRC (26 U.S.C. § 36B(d)(2)(B)) and in 26 CFR § 1.36B-1(e)(2).

Reasonably compatible: The difference or discrepancy between the information that the Exchange obtained through electronic data sources, provided by the applicant, or other information in the records of the Exchange and an applicant's attestation does not impact the eligibility of the applicant, including the amount of advance payments of the premium tax credit or category of cost-sharing reductions.

ARTICLE 4:
GENERAL PROVISIONS

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Accessibility and Readability

Accessibility and Readability Standards

All applications, forms, notices, and correspondence provided to the applicants and enrollees by Covered California and Covered California Plan issuers shall:

- Be provided to applicants and enrollees in plain language,
- Be formatted to be understood at the 9th grade level;
- Not contain technical language beyond an 9th grade level or print smaller than 12 point; and
- Not contain language that minimizes or contradicts the information being provided.

Information shall be provided to applicants and enrollees at no cost to the individual and in a manner that is accessible and timely to:

- Individuals living with disabilities through the provision of auxiliary aids and services, including accessible Web sites.
- Limited English proficient individuals through the provision of language services, including:
    - Oral interpretation or written translations; and
    - Taglines in non-English languages that indicate language services are available.

Covered California must inform individuals of the availability of and how to access these services

Readability Discussion Points

Stakeholder Feedback:

- The readability standards identified in the draft State Regulations should be no higher than a 6th grade level (not at a 9th grade level as proposed by Covered California). A 6th grade is the level used by Medi-Cal and there will be many individuals with low literacy levels applying for coverage and receiving written notices.

Federal Regulation/Guidance:

- **§ 155.205 (c)(1):** "*Accessibility:* Information must be provided to applicants and enrollees in plain language and in a manner that is accessible and timely.."

Draft State Regulation:

- **§ 6452 (b):** "Information shall be provided to applicants and enrollees in plain language, as defined in Section 6410 of Article 2 of this chapter, and all written correspondence shall also:

  (1) Be formatted in such a way that it can be understood at the ninth-grade level."

Staff Preliminary Recommendation:

- Preserve the language as specified in the draft State Regulations for the following reasons:
  - Whenever feasible, the goal will be to produce written materials at a 6th grade reading level.
  - In circumstances in which complex information is being presented to the consumer (e.g., advance payments of premium tax credits, cost sharing reductions, or reconciliation of the tax credit at the end of the year through annual tax filing), then written materials will not exceed a 9th grade reading level.

ARTICLE 5:

APPLICATION, ELIGIBILITY AND ENROLLMENT

Process For The Individual Exchange

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Single Streamlined Application

Covered California shall use a single, streamlined application to determine a consumer's eligibility and to collect information necessary for:

- **Enrollment in a QHP;**
- **APTC;**
- **CSR; and**
- **MAGI Medi-Cal or CHIP.**

To apply for any of the programs, an applicant or an application filer shall submit all information, documentation, and declarations required on the single, streamlined application.

An applicant shall sign and date the Penalty of Perjury Statement acknowledging that he or she provided true and accurate information.

All applications, including the single streamlined application, shall:

- Conform to the Accessibility and Readability Standards.
- Information shall be provided in plain language and be formatted in a way that can be easily understood.

An applicant may utilize the following channels to submit an application:

- **Covered California's website;**
- **Telephone (call Covered California Customer Service Center);**
- **Mail; or**
- **In-person.**

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Eligibility

Eligibility Requirements for Enrollment

For purposes of this section, an applicant includes all individuals listed on the application who are seeking enrollment in a Covered California Plan (CCP) through Covered California and shall:

- Provide his or her SSN to Covered California (if he or she has an SSN);
- Be a U.S. citizen or U.S. national, or a non-citizen who is lawfully present in the U.S. and is reasonably expected to be a U.S citizen, U.S national, or a non-citizen who is lawfully present for the entire period for which enrollment is sought;
- Not be incarcerated, other than incarceration pending the disposition (judgment) of charges;
- Meet applicable residency standards.

A tax filer shall be eligible for APTC if:

- Expected to have a household income ≥ 100% but not more than 400% of the FPL for the benefit year for which coverage is requested; and
- One or more applicants for whom the tax filer expects to claim a personal exemption deduction
  - Meets the requirements for eligibility for enrollment in a CCP through Covered California;
  - Is not eligible for Minimum Essential Coverage;* and
  - Is enrolled in a CCP through Covered California.

A non-citizen tax filer shall be eligible for APTC if:

- Lawfully present and ineligible for Medi-Cal by reason of immigration status;
- Tax filer is expected to have a household income of less than 100% of the FPL for the benefit year for which coverage is requested; and
- One or more applicants for whom the tax filer expects to claim a personal exemption deduction is a non-citizen who is lawfully present and ineligible for Medi-Cal by reason of immigration status.

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*Is not eligible for MEC, with the exception of coverage in the individual market, in accordance with section 36B(c)(2)(B) and (C) of IRC (26 U.S.C. § 36B(c)(2)(B), (C)) and 26 C.F.R. § 1.36B-2(c).

Eligibility (continued)

Eligibility Determination Process

- Applicants may request an eligibility determination *only* for enrollment in a CCP *or* for an Insurance Affordability Program (IAP).*
- Enrollees may opt to accept less than the full amount of APTC.
- If an applicant is determined eligible for MAGI-MediCal, Covered California shall notify and transmit all information from Covered California records necessary to provide the applicant with coverage to DHCS promptly without undue delay.
- Covered California shall provide timely written notice of any eligibility determination.

Special CSR Eligibility for Indians

- An Indian applicant's eligibility for CSR shall be determined based on the following procedures.
- If eligibility requirements are met, the CCP issuer shall eliminate any cost-sharing under the plan.
- CCP issuers shall not reduce the payment to any item or service furnished directly by:
    - Indian Health Service:
    - An Indian Tribe:
    - Tribal Organization:
    - Urban Indian Organization:
    - Through referral under contract health.

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*A request for an eligibility determination for IAP would be deemed as a request for all IAPs

Eligibility (continued)

Eligibility Redetermination during a Benefit Year

Covered California shall:

- Redetermine eligibility if Covered California receives and verifies new information reported by an enrollee of a Covered California Plan or identified through the Data Matching process.
    - Except for enrollees who have not requested an eligibility determination for IAPs;
    - Except for enrollee whose change in income <10% of the income used in the most recent eligibility determination.
- Provide electronic notification to enrollees who have opted to receive electronic notifications, regarding the requirements for reporting changes and enrollee's opportunity to report any changes.
- Examine available data sources on a semiannual basis to identify changes in circumstances, e.g. death and eligibility determinations for Medicare, Medi-Cal or CHIP.

Annual Eligibility Redetermination

Covered California shall:

- Annually redetermine the eligibility of an enrollee in a Covered California Plan and for Insurance Affordability Programs.
- Have on file an active authorization from the enrollee to obtain updated tax information.
- Provide an annual redetermination notice with a pre-populated form that includes:
    1. Data requested from HHS and Data regarding MAGI based income;
    2. Data used in the enrollee's most recent eligibility determination;
    3. The enrollees projected eligibility determination for the following year.
- Redetermine eligibility if Covered California verifies any enrollee reported changes that affect eligibility.

Verification and Inconsistencies Process Overview

- Verification Process Related to Eligibility Requirements for Enrollment in a QHP through Covered California
- Verification of Eligibility for MEC other than through an Eligible Employer-Sponsored Plan Related to Eligibility Determination for APTC and CSR
- Verification of Family Size and Household Income Related to Eligibility Determination for APTC and CSR
- Verification Process for Increases in Household Income Related to Eligibility Determination for APTC and CSR
- Alternate Verification Process for APTC and CSR Eligibility Determination for Decreases in Annual Household Income or If Tax Return Data Is Unavailable
- Verification Process for MAGI-Based Medi-Cal and CHIP
- Inconsistencies

Verification Process Related to Eligibility Requirements for Enrollment in a Covered California Plan

Verification of Social Security Number

- For any individual who provides Covered California with his or her Social Security Number (SSN), Covered California shall transmit the SSN and other identifying information to the U.S. Department of Health and Human Services (HHS) which will submit it to the Social Security Administration (SSA).

- If Covered California is unable to verify an individual's SSN through the SSA, Covered California shall follow procedures specified in the regulation except that Covered California shall provide the individual with a period of 90 days from the date on which the notice described in regulations is received for the applicant to provide satisfactory documentary evidence or resolve the inconsistency with the SSA. *

Verification of Citizenship, Status as a National, or Lawful Presence

- For an applicant who attests to citizenship and has a SSN, Covered California shall transmit the SSN and other identifying information to the HHS which will submit it to the SSA.

- For an applicant who has documentation that can be verified through the U.S. Department of Homeland Security (DHS) and who attests to lawful presence, or who attests to citizenship and for whom Covered California cannot substantiate a claim of citizenship through the SSA, Covered California shall transmit information from the applicant's documentation and other identifying information to HHS, which will submit necessary information to the DHS.

- For an applicant who attests to citizenship, status as a national, or lawful presence, and for whom Covered California cannot verify such attestation through the SSA or the DHS, Covered California must follow the inconsistencies procedures specified in regulations, except that Covered California must provide the applicant with a period of 90 days from the date on which the notice described in regulations is received for the applicant to provide satisfactory documentary evidence or resolve the inconsistency with the SSA or the DHS, as applicable.*

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*The date on which the notice is received means 5 days after the date on the notice, unless the individual demonstrates that he or she did not receive the notice within the 5-day period.

Verification Process Related to Eligibility Requirements for Enrollment in a Covered California (continued)

Verification of Residency

- Covered California shall verify the applicant's attestation that he or she meets the residency standards as follows:
  - Accept his or her attestation without further verification; or
  - Examine available HHS-approved electronic data sources

- If information provided by an applicant is not reasonably compatible with other information provided by the individual or in records of Covered California, Covered California shall examine information in available HHS-approved data sources.

- If the information in such data sources is not reasonably compatible with the information provided by the applicant, Covered California shall follow the inconsistency procedures specified in regulations.

- Evidence of immigration status may not be used to determine that an applicant is not a resident.

Verification of Incarceration Status

- Covered California shall verify an applicant's attestation that he or she meets the requirements by relying on available HHS-approved electronic data sources; or if HHS-approved data source is unavailable, accepting the applicant's attestation without further verification.

- If an applicant's attestation is not reasonably compatible with information from HHS-approved data sources or other information provided by the applicant or in Covered California records, Covered California shall follow the specified the inconsistencies procedures.

Verification Process Related to Eligibility for Insurance Affordability Programs (continued)

Verification of Eligibility for Minimum Essential Coverage (MEC) other than through an Eligible Employer-Sponsored Plan Related to Eligibility Determination for APTC and CSR

Covered California shall verify whether an applicant:

- Is eligible for MEC other than through an eligible employer-sponsored plan, Medi-Cal, or CHIP, using information obtained from the HHS.
- Has already been determined eligible for coverage through Medi-Cal or CHIP, using information obtained from the DHCS.

Verification of Family Size and Household Income Related to Eligibility Determination for APTC and CSR

Family Size

- Covered California shall request tax return data regarding MAGI and family size from HHS for all individuals whose income is counted in calculating a tax filer's household income, in accordance with federal law, and for whom Covered California has a SSN or Taxpayer Identification Number.
- If the identifying information for one or more individuals does not match a tax record on file with the IRS, Covered California shall follow specified inconsistencies procedures.

Verification Process Related to Eligibility for Insurance Affordability Programs (continued)

Annual Household Income

- An applicant's annual household income shall be verified as follows:
  1. The annual household family income shall be computed based on the tax return data.
  2. An applicant shall attest to a tax filer's projected annual household income.
  3. If an applicant's attestation indicates that the information represents an accurate projection of the tax filer's household income for the benefit year for which coverage is requested, the tax filer's eligibility for APTC and CSR shall be determined based on the household income data.
  4. If the data is unavailable, or an applicant attests that a change in household income has occurred, or is reasonably expected to occur, and so it does not represent an accurate projection of the tax filer's household income for the benefit year, the applicant shall attest to the tax filer's projected household income for the benefit year for which coverage is requested.

Verification Process Related to Eligibility for Insurance Affordability Programs (continued)

Verification Process for Increases in Household Income Related to Eligibility Determination for APTC and CSR

- Covered California shall accept the applicant's attestation for the tax filer's family without further verification if:
  - An applicant attests that a tax filer's annual household income has increased, or is reasonably expected to increase, from the data for the benefit year for which the applicant(s) in the tax filer's family are requesting coverage; and
  - Covered California has not verified the applicant's MAGI-based income to be within the applicable Medi-Cal or CHIP MAGI–based income standard.
- If Covered California finds that an applicant's attestation of a tax filer's annual household income is not reasonably compatible with other information provided by the application filer or available to Covered California, the applicant's attestation shall be verified using data obtained through electronic data sources.
- If the data sources are unavailable or information in such data sources is not reasonably compatible with the applicant's attestation, the applicant shall provide additional documentation requested by Covered California to support attestation.

Verification Process Related to Eligibility for Insurance Affordability Programs (continued)

Alternate Verification Process for APTC and CSR Eligibility Determination for Decreases in Annual Household Income or If Tax Return Data Is Unavailable

- If a tax filer qualifies for an alternate verification process based on the specified requirements and the applicant's attestation to projected annual household income is no more than 10% below the annual household income computed based on the tax return data, the applicant's attestation shall be accepted without further verification.

- If a tax filer qualifies for an alternate verification process based on the requirements specified and the applicant's attestation to projected annual household income is no more than 10% below the annual household income computed based on tax return data, or if the tax data is unavailable:
  - The applicant's attestation of the tax filer's projected annual household income for the tax filer shall be verified.
  - The applicant shall not be eligible for APTC, or CSR if:
    (1) An applicant has not responded to a request for additional information from Covered California following the 90-day period described in this section; and
    (2) The specified data sources indicate that an applicant in the tax filer's family is eligible for Medi-Cal or CHIP.

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Inconsistencies

- For an applicant whose attestations are inconsistent with the data obtained by Covered California from available data sources, or for whom Covered California cannot verify information required to determine eligibility for enrollment in a Covered California Plan, or for APTC and CSR, including when electronic data is required in accordance with this section but not available, Covered California:
    - Shall make a reasonable effort to identify and address the causes of such inconsistence by contacting the application filer to confirm the accuracy of the information.
    - If unable to resolve the inconsistency, provide notice to the applicant regarding the inconsistency and provide the applicant with a period of 90 days from the date on which the notice is sent to the applicant to either present satisfactory documentary evidence through the channels available for the submission of the application, except by telephone, or otherwise resolve the inconsistency.
    - May extend the period for an applicant if the applicant demonstrates that a good faith effort has been made to obtain the required documentation during the period.

Inconsistencies (Continued)

- Covered California shall provide an exception, on a case-by-case basis, to accept an applicant's attestation as to the information which cannot otherwise be verified and the applicant's explanation of circumstances as to why the applicant does not have documentation if:
    - An applicant does not have documentation with which to resolve the inconsistency through the process because such documentation does not exist or is not reasonably available;
    - Covered California is unable to otherwise resolve the inconsistency for the applicant; and
    - The inconsistency is not related to citizenship or immigration status.
    - NOTE: An applicant shall not be required to provide information beyond the minimum necessary to support the eligibility and enrollment processes of Covered California, Medi-Cal, and CHIP.

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Collection of Social Security Numbers Discussion Points

Stakeholder Feedback:

- SSNs should only be required and verified for applicants applying for coverage and not for other individuals. Draft State Regulations require that the SSN be provided for non-applicant tax filer, in the event the filer has a SSN and files for the relevant tax year. If draft State Regulations continue to request the non-applicant's SSN, there should be a requirement that the application filer be notified that their SSN will be used **only** for purposes of income verification and cannot be shared for any other purposes and will only be used for eligibility determination.

Federal Regulation/Guidance:

- **§ 155.310 (3)(ii):** "The Exchange may not require an individual who is not seeking coverage for himself or herself to provide a Social Security number, except as specified in §155.305(f)(6)."
- **§155.305(f)(6):** "The Exchange must require an application filer to provide the Social Security Number of a tax filer who is not an applicant, only if an applicant attests that the tax filer has a Social Security Number and filed a tax return for the year for which tax data would be utilized for verification of household income and family size."

Draft State Regulation:

- **§ 6474(c)(5):** "An application filer shall provide the SSN of a tax filer who is not an applicant only if an applicant attests that the tax filer has a Social Security Number and filed a tax return for the year for which tax data would be used to verify household income and family size."

Staff Preliminary Recommendation:

- Preserve the language as specified in the draft State Regulations for the following reasons:
  - State Regulations are consistent with Federal Regulations.
  - Covered California will message the use of the individual's SSN will be confidential and will be used for only the purposes of eligibility determination and administration of enrollment in Covered California. Messaging to the consumer will be critical to ensure that they are aware of the confidentiality standards and safeguards of personnel and financial information.

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Electronic Verification of Immigration Status Discussion Points

Stakeholder Feedback:

- Federal requirements permit electronic verification of immigration status using an individual's Alien Registration Number ("A#") . Paper documentation should be required only if the Alien Registration Number verification process is not successful against the federal data services hub (e.g., Department of Homeland Security [DHS]).

Federal Regulation/Guidance:

- **§ 155.315(c)(2):** "Verification with records from the records of the DHS. For an applicant who has documentation that can be verified through the DHS and who attest to lawful presence, or who attests to lawful presence, or attests to citizenship and for whom the Exchange cannot substantiate a claim of citizenship through the Social Security Administration, the Exchange must transmit information from the applicant's documentation and other identifying information to the U.S. Department of Health and Human Services (HHS), which will submit necessary information to the DHS for verification."

Draft State Regulation:

- **§ 6478 (c)(2):** "For an applicant who has documentation that can be verified through the DHS and who attests to lawful presence, or who attests to citizenship and for whom the Exchange cannot substantiate a claim of citizenship through the SSA, the Exchange shall transmit information from the applicant's documentation and other identifying information to HHS, which will submit necessary information to the DHS for verification of an applicant."

Staff Preliminary Recommendation:

- Preserve the language as specified in the draft State Regulations for the following reasons:
  - Perform verification based on attested information.
  - Whenever the federal data services hub verifies that an individual is lawfully present in the U.S., the individual will not be required to provide paper documentation.
  - In the event the federal services data hub cannot verify that an individual is lawfully present in the U.S., then, the consumer will be required to provide paper verification, in which case they will have a 90-day reasonable opportunity period to provide the document.

Initial and Annual Open Enrollment

- A qualified individual shall enroll in a Covered California Plan, or an enrollee shall change Covered California Plans, only during the initial open enrollment period, the annual open enrollment period, or a special enrollment period, as specified in regulations.

- The initial open enrollment period begins October 1, 2013 and extends through March 31, 2014.

- Regular coverage effective dates for initial open enrollment period for a Covered California Plan selection received by Covered California from a qualified individual:

  1. On or before December 15, 2013, shall be January 1, 2014
  2. Between the first and fifteenth day of any subsequent month during the initial open enrollment period, shall be the first day of the following month; and
  3. Between the sixteenth and last day of the month for any month between December 2013 and March 31, 2014, shall be the first day of the second following month.

- Annual open enrollment period for benefit years beginning on or after January 1, 2015, begins October 15 and extends through December 7 of the preceding calendar year.

- Beginning 2014, the Exchange shall provide a written annual open enrollment notification to each enrollee no earlier than September 1st and no later than September 30th.

- For a qualified individual who has made a Covered California Plan selection during the annual open enrollment period, the coverage effective date shall be the first day of the following benefit year.
  - The initial premium payment shall be made by a qualified individual and received by the Covered California Plan issuer by the end of the month prior to the specified coverage effective dates.

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Special Enrollment

Special enrollment periods triggered by:

1. A qualified individual or a dependent's loss of Minimum Essential Coverage;
2. A qualified individual gains a dependent or becomes a dependent;
3. An individual not previously a U.S. citizen, U.S. national or lawfully present gains such status;
4. A qualified individual's enrollment or disenrollment in a Covered California Plan (CCP) is unintentional, inadvertent, or erroneous as a result of an error, misrepresentation, or inaction of the staff or instrumentalities of Covered California or Health and Human Services. In such cases, Covered California takes necessary actions to correct or eliminate the effects of an identified determination error, misrepresentation or inaction.
5. An enrollee adequately demonstrates that a CCP substantially violated a material provision of its contract in relation to the enrollee.
6. An enrollee is determined newly eligible or newly ineligible for APTC or has a change in eligibility for CSR;
7. An individual whose existing coverage through an eligible employer-sponsored plan will no longer be affordable or provide minimum value.
8. A qualified individual or enrollee gains access to new CCPs as a result of a permanent move; also applies to individuals recently released from incarceration.
9. A qualified individual who is an Indian may enroll in a CCP or change to another from one time per month.

Termination of Coverage

- An enrollee may terminate his or her coverage in a CCP, including as a result of the enrollee obtaining other Minimum Essential Coverage (MEC), with appropriate notice to Covered California.

- Covered California may initiate the termination of an enrollee's CCP coverage, and shall permit a CCP issuer to terminate such coverage, provided that the issuer makes reasonable accommodations for all individuals with disabilities (as defined by the Americans with Disabilities Act) before terminating coverage for such individuals in the following circumstances:
  - The enrollee is no longer eligible for coverage in a CCP through Covered California;
  - The enrollee fails to pay premiums for coverage, and the three-month grace period required for individuals receiving APTC has been exhausted;
  - The enrollee's coverage is rescinded for cause by the CCP issuer;
  - The CCP issuer terminates or is decertified; or
  - The enrollee changes from one CCP to another during an annual open enrollment period or special enrollment period.

- In the case of termination of an enrollee's coverage due to premium non-payment, a CCP issuer shall:
  - Provide the enrollee, who is delinquent on premium payment, with notice of such payment delinquency.
  - Provide a grace period of three consecutive months if an enrollee receiving APTC has previously paid at least one full month's premium during the benefit year; and
  - If an enrollee receiving APTC exhausts the three-month grace period without paying all outstanding premiums:
    (1) Terminate the enrollee's coverage on specified effective date, provided that the CCP issuer meets the specified notice requirements; and
    (2) Return APTC paid on behalf of such enrollee for the second and third months of the grace period.

Termination of Coverage (continued)

- If an enrollee's coverage in a CCP is terminated for any reason, effective dates for termination of coverage as described in regulations shall apply.

- If an enrollee's coverage in a CCP is terminated for any reason, the CCP issuer shall:
  - Provide the enrollee with a notice of termination of coverage that includes the reason for termination and Covered California approved appeals language at least 30 days prior to the last day of coverage, consistent with the effective date established by Covered California.

- If an enrollee's coverage in a CCP, Covered California shall:
  - Send termination information to the CCP issuer and HHS promptly and without undue delay; and
  - Retain records of termination of coverage in order to facilitate audit functions.

Draft Proposed State Regulations

Reserved Sections

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Draft Proposed State Regulations
Reserved Sections

§ 6454. Exemption from Individual Responsibility.

§ 6472. (4) Eligibility Requirements for Enrollment in a QHP through the Exchange. Special rule for tax households with members in multiple Exchange service areas.

§ 6488. Verification Process for MAGI-Based Medi-Cal and CHIP.

§ 6490. Verifications of Enrollment in an Eligible Employer-Sponsored Plan and Eligibility for Qualifying Coverage in an Eligible Employer-Sponsored Plan Related to Eligibility Determination for APTC and CSR.

§ 6508. Appeals of Eligibility Determinations for the Exchange Participation.

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Next Steps

Activity:	Proposed Timeline:
Final proposed Eligibility & Enrollment State Regulations presented at Board Meeting (for Board action)	June 20, 2013
Submission of Final Eligibility & Enrollment Regulations to the Office of Administrative Law	Early-July 2013

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QUESTIONS and SUGGESTIONS?

To view the Eligibility Draft State Regulations, please click here

Submit written comments/suggestions to:
Eligibility@covered.ca.gov

Due Date: May 24, 2013

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