



Terminated by Carrier for Non-Payment for Enrollers Task Guide

Overview

This guide explains what to do when an enrollee's health or dental plan is terminated for non-payment.

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Background

Multiple carriers have started replying to non-payment reinstatement requests by asking Covered CA to refer the consumer to them directly so they can collect all past due premiums and then they will notify Covered CA if approved to reinstate the plan. As a result, the Covered CA Escalation Units are beginning to move away from acting as a liaison between the consumer and the carrier regarding non-payment reinstatement requests.

Kaiser has agreed to assist Covered CA with piloting a BOT process for carriers to directly request reinstatement of a plan that they terminated for non-payment. Covered California and Kaiser will be initiating a pilot program for non-payment related reinstatement requests and is directing consumers to address billing issues directly with their health insurance company.

PILOT Kaiser Non-Pay Program beginning 6/1/2026

- Enroller or consumer will need to contact Kaiser directly to request Non-Payment Reinstatement at (866) 288-6729. Pay any past due premiums and if approved, Kaiser will reinstate the policy in their system.
- Inform the consumer that the insurance company will notify them whether the reinstatement was successful or unsuccessful.
- If successful, no additional action will be required from the consumer.
- Please allow up to 10 days from Kaiser approval for reinstatement for the enrollment to be updated in CalHEERS. Please see CalHEERS Non-Payment Reinstatement BOT for Enrollers Quick Guide.

Consumer Options after being Terminated

Consumers have five options after being terminated. Discuss these options with consumers when they have been terminated.

1. Request Reinstatement

Covered California

Outreach and Sales Division

OutreachandSales@covered.ca.gov



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- “If the health insurance company **approves** your request, you will have continuous coverage in the same plan. You are responsible for paying all previous month’s premiums.”
 - **Direct consumers to contact the health insurance company to confirm payment due dates.**
 - **Advise consumers to work with their health insurance company right away to arrange payment.**
 - **This helps support the fastest possible resolution**
 - If the consumer is unwilling to make all required payments, advise the consumer that they are not eligible for reinstatement.
 - Confirm that the consumer has not re-enrolled in a new CalHEERS plan, including coverage on another CalHEERS case.
2. **Stay Terminated**
 3. **Apply for Special Enrollment**
 4. **Wait to Apply Again During our Open Enrollment in the Fall**
 5. **Apply Directly with a health insurance company**
 6. “You are not required to enroll through Covered California.”
 - “Applying through us is the only way to get financial help, either applied to your monthly premium or when you file your taxes.”
 - “When applying directly with a health insurance company, they also require a qualifying life event to enroll when it is outside of the open-enrollment period.”

Grace Period for Monthly Payment

- When consumers do not pay their monthly premium, health insurance companies must wait for the consumer’s grace period to end before terminating their enrollment through Covered California.
- The grace period only applies to consumers who have already made their first premium payment (binder payment).
- The earliest a grace period can begin is the day after the last date of paid coverage.
- **Note:** if autopay did not work, recommend the consumer contact the health insurance company to confirm why auto-pay failed.



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Scenario	Grace Period Ends After
Initial premium payment (binder payment) accepted by the health insurance company.	No grace period.
Unsubsidized enrollee (receiving no financial help)	At least 30 days, beginning the day the Notice of Start of Grace Period is dated.
Subsidized enrollee (receiving APTC)	Up to 90 days

Auto Pay Reminders

- Encourage consumers to open and carefully review all communications from their health or dental insurance company and Covered California as soon as they receive them. This includes emails or mailed letters.
- Monthly premiums are subject to change based on reported changes to the consumer’s application or changes in legislation.
- Changes to enrollment may affect auto pay accounts and or billing. This includes changes to subscribers, metal tier and product changes.
- Each carrier has their own rules and procedures regarding auto pay and billing.
- If a consumer has questions about their autopay setup or payments, they should contact their insurance company directly for details and assistance.

Talking Points if Consumers show Interest in having a Gap in Coverage

- “You are responsible for paying full price for all care, including office visits and prescriptions, while you are not insured. The same applies to anyone else who was enrolled with you.”
- “After your termination date, you will have a gap in coverage.”
 - “A gap in coverage could result in a new gross premium that is a higher or lower amount than your previous gross premium.”
- “You may have to pay a California state tax penalty if you go without health care coverage.”