Eligibility Determinations for Insurance Affordability Programs

The common goal for both Connect for Health Colorado and HCPF is to quickly and accurately move Coloradans and their families to the appropriate health coverage.

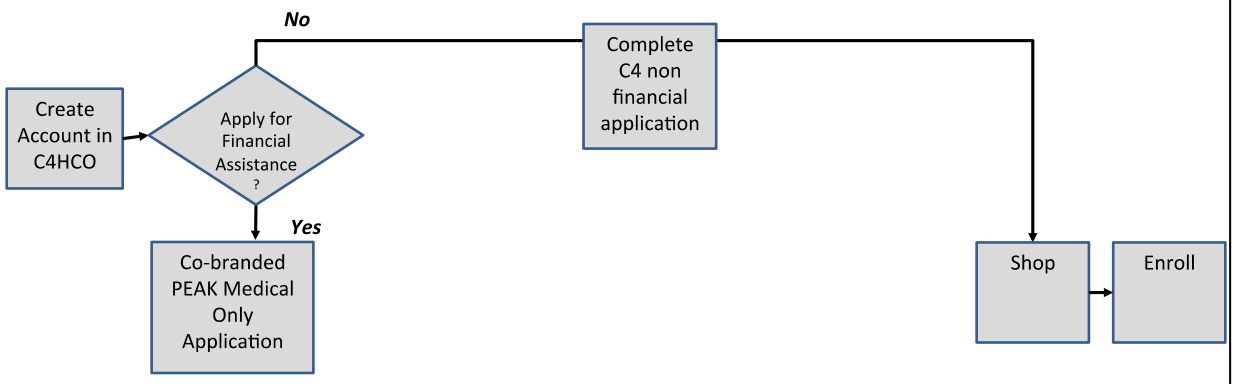
The current combined C4HCO-PEAK eligibility determination process for consumers seeking insurance affordability programs (i.e. Medicaid, CHP+ and APTC/CSR) is complex and currently results in delays and a suboptimal consumer experience. A long-term solution is required to move customers smoothly through the process. HCPF and C4HCO have been working together to identify the best solution for the consumer to ensure the most Coloradans are covered and are jointly presenting a proposed direction. This document evaluates the two long-term options available to the Marketplace and pros and cons of each option.

A long term solution will not be available for this enrollment period, so the teams are preparing a document for interim solutions to increase the number of individuals and families can move on to the enrollment phase in C4HCO. Interim solutions will be evaluated in a separate discussion.

Current State

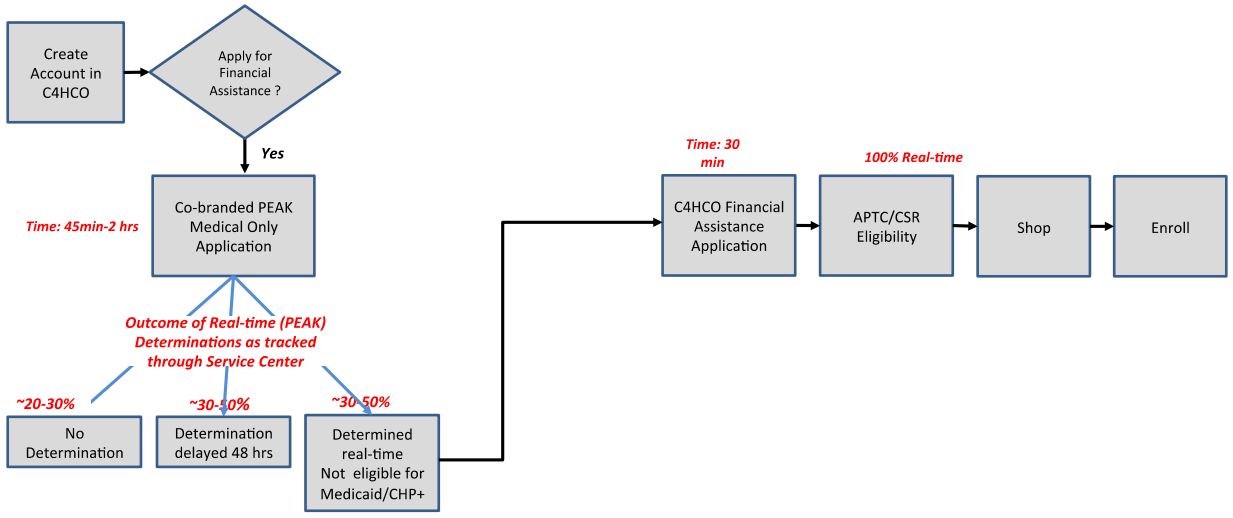
Today, a Connect for Health Colorado (C4HCO) applicant can take either the non-financial path and obtain a tax credit at the end-of-year tax filing or make an application for financial assistance to obtain advanced premium tax credits (APTC) and cost sharing reductions (CSR) to apply on a prospective basis.
he non-financial application path allows the consumer to shop, compare and purchase commercial health insurance in one sitting, if that is what the consumer requests.

Fig. 1: Current C4HCO Eligibility to Enrollment for Non-Financial App



The financial path, which requires a Medicaid dental prior to applying for the APTC, occurs real-time 30-50% of the time (see Figure 2). The C4HCO customers are pended and managed by HCPF vendors or the county offices. Many receive a response within 24-48 hours, but 20- 30% are pended for research and resolution for up to 45 days.

Fig 2: Current C4HCO Eligibility to Enrollment Using the Financial Application Online



HCPF and C4HCO have been working together on a solution that will speed this process. The options available to the Marketplace are outlined below.

Long Term Options

1. Determination Model:

   Build single application and single MAGI rules engine that both HCPF and C4HCO would use to complete eligibility determinations for all insurance affordability programs. This would include a single, logic based and dynamic application that is shared between C4HCO and the State to provide a MAGI determination. Based on this determination, an individual would be routed to the appropriate place. If routed to C4HCO, an APTC and/or CSR determination would be made. This would provide a streamlined consumer experience where the customer is not asked any questions that would not pertain to their individual circumstance. It would need to adhere to the federal requirements regarding MAGI determinations and a real-time response is received every time. One caveat is that if there are inconsistencies or data is missing, C4HCO would help and reconcile the consumers that come through our portal. In addition, if someone fails an ID proofing process or any state reconciliation, the customer could move forward and reconciliation would occur within 90 days. See Figure 3.

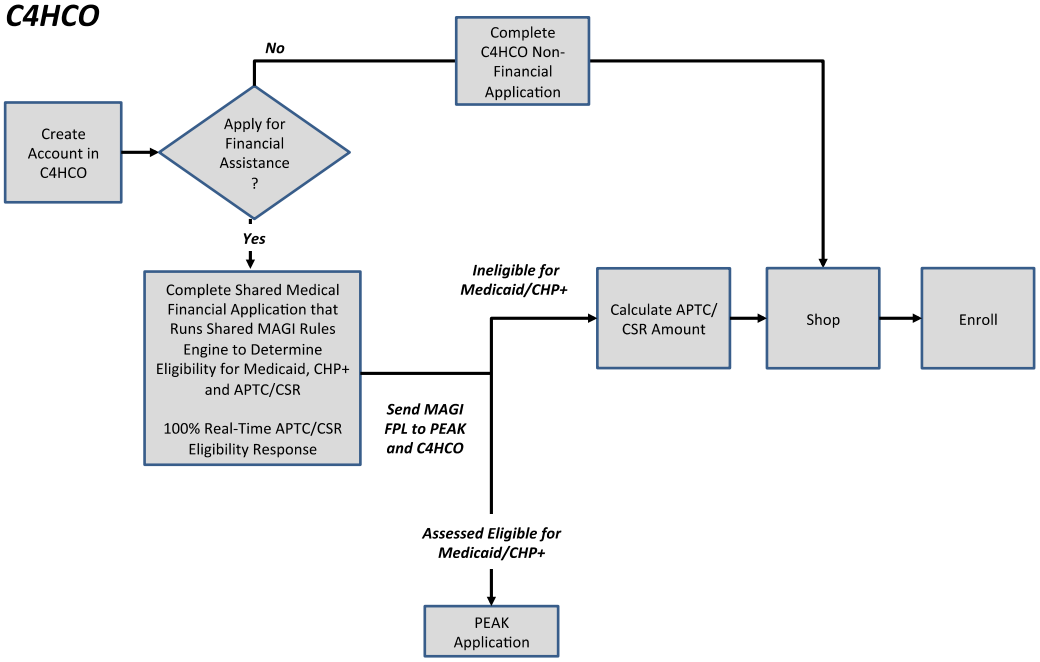
Pros:

- Proposed immediate response
- One rules engine and one application provides for less variation in the eligibility determination process over time
- C4HCO is able to maintain brand and customer experience throughout
- Least amount of back end reconciliation
- Medicaid determination is made every time through this process

Cons:

- C4HCO does not have singular control the application or rules engine
- Prioritization of fixes or changes within the state system could be difficult
- Would need assurances that the state would return C4HCO customers to C4HCO for resolution .

Fig 3. Shared financial application and eligibility rules between HCPF and C4HCO



2. Assessment Model:

   C4HCO builds Medicaid/CHP+ MAGI rules in existing rules engine to assess eligibility for state medical programs. Help text and links would be provided to applicant before application experience encouraging the person to start in PEAK to apply for medical and other public programs if below APTC/CSR income range. Data would be sent to the State for applicants that completed the application in C4HCO and were assessed eligible for state medical programs. Individuals or families that were assessed not to be eligible for Medicaid or CHP+ would be given the option to get an official determination from Medicaid or withdraw their application for Medicaid and CHP+, as outlined in the regulations. See Figure 4.

   Pros:

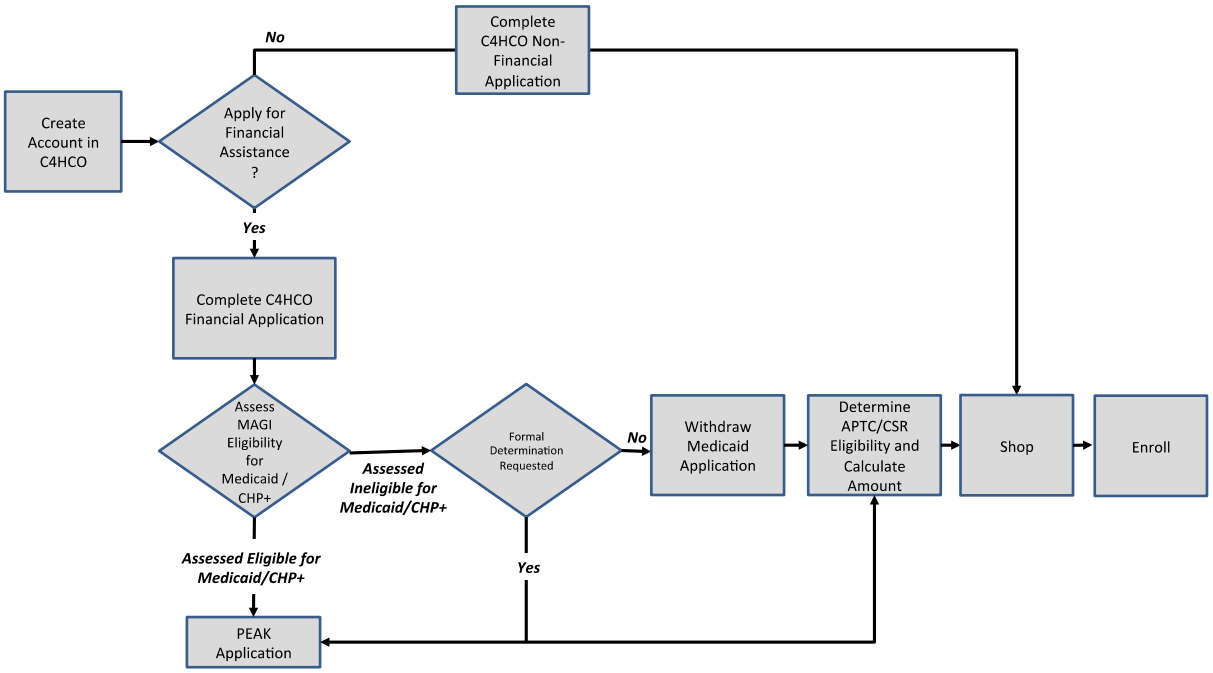
   - There will be a 100% real time response for each C4HCO customer that completes an application
   - Customer service experience will be guaranteed to be owned by C4HCO including verifications of data
   - All upgrades, functionality enhancements, maintenance and fixes will be within C4HCO's prioritization and control

- Customers would move forward with enrollment and reconciliation would occur within 90 days as outlined in Marketplace requirements.

Cons:

- Over time, different applications and rules engines are more likely to provide different answers

Fig 4. Assessment Model



Recommendation:
Move forward with the determination model (single rules engine and single application) with the following assumptions:

- A real-time response is returned to C4HCO 100% of the time
- C4HCO retains brand and customer experience including returning customers to C4HCO for service
- If additional information is needed, a message is sent to C4HCO outlining what is needed or what was completed incorrectly for the C4HCO service network to correct
- If an individual or family fails ID proofing or a state "are you known to us test", MAGI is run and if the FPL dictates, the customer is forwarded to C4HCO to continue with enrollment. Reconciliation is required within 90 days as per Marketplace requirements.

Appendix A. Section 155.302 Options for Conducting Eligibility Determinations

(b)(1) The Exchange makes such an assessment based on the applicable Medicaid and CHIP MAGI-based income standards and citizenship and immigration status, using verification rules and procedures consistent with 42 CFR parts 435 and 457, without regard to how such standards are implemented

(b)(3) Applicants found potentially eligible for Medicaid or CHIP. When the Exchange assesses an applicant as potentially eligible for Medicaid or CHIP consistent with the standards in subparagraph (b)(1) of this section, the Exchange transmits all information provided as a part of the application, update, or renewal that initiated the assessment, and any information obtained or verified by the Exchange to the State Medicaid agency or CHIP agency via secure electronic interface, promptly and without undue delay.
(b)(4) Applicants not found potentially eligible for Medicaid and CHIP.
(i) If the Exchange conducts an assessment in accordance with paragraph (b) of this section and finds that an applicant is not potentially eligible for Medicaid or CHIP based on the applicable Medicaid
and CHIP MAGI-based income standards, the Exchange must consider the applicant as ineligible for Medicaid and CHIP for purposes of determining eligibility for advance payments of the premium tax credit and cost-sharing reductions and must notify such applicant, and provide him or her with the opportunity to
(A) Withdraw his or her application for Medicaid and CHIP; or
(B) Request a full determination of eligibility for Medicaid and CHIP by the applicable State Medicaid and CHIP
agencies.
(ii) To the extent that an applicant described in paragraph (b)(4)(i) of this section requests a full determination of eligibility for Medicaid and CHIP, the
Exchange must—
(A) Transmit all information provided as a part of the application, update, or renewal that initiated the assessment, and any information obtained or verified by the Exchange to the State Medicaid agency and CHIP agency via secure electronic interface, promptly and without undue delay; and
(B) Consider such an applicant as ineligible for Medicaid and CHIP for purposes of determining eligibility for advance payments of the premium tax credit and cost-sharing reductions until the State Medicaid or CHIP agency notifies the Exchange that the applicant is eligible for Medicaid or CHIP