

Patient Protection and Affordable Care Act Market Stabilization

Summary of Proposed Rules and Connect for Health Colorado's Comments

February 23, 2017

A. Proposed Regulations			
	Section of Regulation Affected	Proposed Rule	C4HCO's Position and Comment
	45 CFR §147.104	<p>Assuming State law does not prohibit the proposed action, this proposed rule will modify the guaranteed availability rules with respect to non-payment of premiums. Carriers will be able to apply a premium payment made for new coverage, either under the same or a different product, to the outstanding debt associated with the non-payment of premiums for the same issuer enrolled within the prior 12 months.</p> <p>Individuals with past due premiums would generally owe no more than one to three months of past-due premiums. For individuals on whose behalf the carrier received APTC, the past premium owed would be net any APTC paid on their behalf to the carrier.</p>	<p>Neutral.</p> <p>Connect for Health Colorado will defer to the DOI's interpretation of State law regarding this proposal. Dependent upon that interpretation and carriers' decisions to implement this change, Connect for Health Colorado will need to work with carriers to make necessary system changes and updates.</p>
	45 CFR §155.410(e)	<p>This proposed rule change the Open Enrollment Period (OEP) from November 1, 2017 through January 31, 2018 to November 1, 2017 through December 15, 2017 for the 2018 coverage year. This would align with the OEP for what was already established for coverage year 2019 and beyond.</p>	<p>Do not support.</p> <p>Connect for Health Colorado does not support shortening the dates for Open Enrollment (OE) for plan year 2018. Shortening OE for plan year 2018 would negatively impact customer and issuer experience because shortening OE would cause extremely high volumes of individuals</p>

		<p>HHS believes this will have a positive impact on the risk pool by reducing the risk of adverse selection.</p>	<p>seeking eligibility and enrollment through both the Exchange's and the carriers' systems.</p> <p>We will be including data on numbers of young invincibles that carriers and the Exchange could potentially lose, data on increased marketing expenses due to holiday marketing overlap, and impacts of having overloaded systems, including truncated calls to the Service Center and overloading of other IT systems. The issues surrounding these increased volumes and possible overloads would require substantial investment in order to support system capacity and the capacity of all other resources.</p> <p>We are continuing to evaluate impacts and will include this evaluation in our final comments.</p>
	<p>45 CFR §155.420</p>	<p>This proposed rule would require the FFE and State-Based Exchanges using the federal platform (SBE-FPs) to conduct pre-enrollment verification for all categories of SEPs for all new consumers. HHS is encouraging, but not requiring, SBEs to follow the same approach.</p> <p>As written, the customer can submit their application and select a plan. Before the</p>	<p>Neutral/support State flexibility.</p> <p>While Connect for Health Colorado supports access to Special Enrollment Periods (SEPs) for all individuals who are legitimately eligible for such enrollment periods, Connect for Health Colorado also supports reasonable measures to reduce adverse selection.</p>

		Exchange releases enrollment information to the carrier, the enrollment will be “pending” for 30 days until the verification of the SEP is completed.	
	45 CFR §155.420(a)(4)	This proposed rule would provide an alternative to pre-enrollment verification for existing enrollees (as opposed to new applicants), which would limit the ability of existing Exchange enrollees to change plan metal levels during the coverage year.	Neutral/support State flexibility. Connect for Health Colorado believes that this proposal should be optional for State-Based Marketplaces (SBMs). States should be allowed to innovate custom solutions to the issues presented by requiring verifications of SEP eligibility for existing enrollees (as opposed to new applicants). Making this alternative optional would allow States to evaluate costs associated with implementing changes that would correspond to this proposal and then make an appropriate decision based on organizational needs.
	45 CFR §155.420(a)(4)(iii)	This proposed rule states that for existing enrollees eligible for the certain SEPs (see below), the Exchange must only allow the enrollee and/or his/her dependents to make changes to their enrollment in the same QHP or to change to another QHP within the same metal level of coverage, if available. This includes enrollees who are on an application where a new applicant is	Neutral/with concerns. Connect for Health Colorado supports availability of SEPs to individuals who are legitimately eligible. Connect for Health Colorado also supports reasonable measures which limit adverse selection. Connect for Health Colorado would incur costs to make necessary system changes to implement this proposal.

		<p>enrolling in coverage who qualifies for an SEP.</p> <p>This affects the following SEPs:</p> <ul style="list-style-type: none"> • Loss of MEC (d)(1); • QHP violated a material provision of its contract (d)(5); • Permanent move (d)(7); • Affected by material plan or benefit display error (d)(12). 	
	45 CFR §155.420(d)(2)(i)	<p>This proposed rule would impact only the individual Market and would require a new enrollee to demonstrate that, in the case of marriage, at least one spouse either had MEC or lived outside of the U.S. for one or more days during the 60 days preceding the date of marriage.</p>	<p>Neutral.</p> <p>This change applies the same changes to the marriage SEP that were applied to the permanent move SEP and finalized in the last round of rulemaking.</p> <p>This will require IT changes and investment to implement.</p>
	45 CFR §155.420(d)(9)	<p>This proposed rule states will significantly limit the use of “exceptional circumstances” and require supporting documentation showing the consumer was directly impacted by the circumstance.</p>	<p>Neutral/with concerns.</p> <p>Connect for Health Colorado supports availability of Special Enrollment Periods (SEPs) to individuals who are legitimately eligible. Connect for Health Colorado also supports reasonable measures which limit adverse selection.</p>

			Connect for Health Colorado would incur costs to make necessary system changes to implement this proposal.
	45 CFR §156.140(c)	<p>This proposed rule will amend the definition of de minimis to a variation of -4/+2 percentage points. For example, a silver level plan could have an Actuarial Value (AV) between 66 to 72 percent. This is applicable for each metal level.</p> <p>This proposal would change the de minimis range for bronze plans to +5/-4 percentage points.</p> <p>This proposed rule change will not impact §§156.400 or 156.420 – meaning that no modifications will be done with the de minimis range for silver level plan variations (the plans with an AV of 73, 87 and 94 percent, otherwise known as cost-share reduction (CSR) plans’).</p>	<p>Neutral.</p> <p>Connect for Health Colorado supports flexibility for carriers to design a range of plans that fit the unique needs of each carrier. However, decreasing AV ranges of Silver metal level plans could also lead to consumer confusion and less APTC availability for consumers because APTC is calculated based on the Second Lowest Cost Silver Plan (SLCSP).</p>
	45 CFR §156.230	Network adequacy	Colorado’s Division of Insurance (DOI) addressed Network Adequacy during rulemaking last year.
	45 CFR §156.235	This proposed rule will update the finalized 2018 Payment Notice related to Essential Community Providers (ECPs). The issuer would have satisfied the regulatory	Essential Community Providers (ECPs) were addressed during the Network Adequacy rulemaking that the DOI engaged in last year.

		standard if the issuer contracts with at least 20% of available ESPs in their service area.	
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B. Comment Due Date			
	Comments are due by March 7, 2017.		