Health Reform: **Beyond the Basics**

A project of the Center on Budget and Policy Priorities

In February, the Department of Health and Human Services (HHS) proposed a rule that, among other things, would make sweeping changes in special enrollment periods (SEPs) and the dates for the upcoming open enrollment period for 2018 coverage.

**This week, HHS** published the changes**, which will become effective June 19**. States and State-Based Marketplaces that do not rely on Healthcare.gov have some additional flexibility related to several provisions of the rule.

For a summary of the impact of the rule, please see our new blog from Sarah Lueck, Senior Policy Analyst, outlining how the rule will raise consumer costs, discourage enrollment, and weaken marketplaces.

We will present a webinar filling out the details on all the changes in the rule, especially the changes to SEP rules and verification process in the coming months. In addition, we will update our Special Enrollment Period Reference Chart resource.

*Changes that the rule makes include:*

**Shortening open enrollment for 2018 coverage.**

- The rule significantly shortens the time people have to sign up for 2018 plans, ending open enrollment on December 15, 2017, instead of January 31, 2018. With open enrollment still scheduled to begin on November 1, 2017, people will only have 45 days to apply for and select a plan for 2018.
- State-Based Marketplaces can have a longer open enrollment period by adding a supplemental special enrollment period, according to the preamble to the rule.

**Pre-enrollment verification for SEPs.**

- Beginning this summer, many people enrolling through an SEP will not be able to effectuate their coverage until the Marketplace verifies their eligibility for an SEP qualifying event.
- The process will be phased in over the course of the year and will only apply to the most common SEPs, including loss of other coverage and permanent move, when the rollout is scheduled to begin in late June. Pre-enrollment verification will eventually apply to all people *newly enrolling* in Marketplace coverage and to all categories of SEPs.
- State-Based Marketplaces that do not use Healthcare.gov are not required to conduct pre-enrollment verification of SEP eligibility.

**Prior coverage requirement for Marriage SEP.**

- To be eligible for the SEP triggered by marriage, at least one spouse must have had 1 day of minimum essential coverage in the 60 days prior to the marriage.
- State-Based Marketplaces have flexibility in implementation of this policy.

**Restrictions on plan selection for current Marketplace enrollees who are eligible for an SEP.**

- If a person already enrolled in Marketplace coverage is eligible for an SEP, they can only use that SEP to change plans within the same metal level as their current plan, except in some limited cases. (This is in contrast to the current rules, which permit enrollees experiencing an event that triggers an SEP, and their dependents when applicable, to change to any other Marketplace plan at any other metal level.)
- In addition, under the new rule, if an enrollee gains a dependent or gets married, that enrollee cannot change plans (except in rare cases where the plan doesn't cover dependents) and can either add that new dependent or spouse to the enrollee's current Marketplace plan, or, if the new dependent is newly enrolling in Marketplace coverage, enroll the dependent in a plan separate from the enrollee.
- State-Based Marketplaces have flexibility in implementation of this policy.

**Change to guaranteed availability rules regarding prior premium debt.**

- The rule allows an insurer to avoid enrolling a person who owes back premiums to the insurer from the past 12 months, unless and until the person pays the prior premium debt.
- States and State-Based Marketplaces are not required to implement this change.

The final rule is available here: www.gpo.gov/fdsys/pkg/FR-2017-04-18/pdf/2017-07712.pdf.

If you have any questions or concerns, please don't hesitate to reach out to us at beyondthebasics@cbpp.org.

*Health Reform: Beyond the Basics is a project of the Center on Budget and Policy Priorities designed to provide training and resources that explain health coverage available through Medicaid, CHIP, and the Marketplace, and is intended for those working on the implementation of health reform.*

Forward

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