



Revised: 2016 – 2017 Renewal and Annual Open Enrollment Period

November 2016

Billing, Dunning, Grace Period Policy & Assumptions:

1. VHC has auto renewed 2016 QHP enrollees into the equivalent 2017 QHP (completed mid-October). Transactions will be sent via web service to Wex, via 834 to carriers in mid-November (see details in #4).
2. Customer IDs will carry over from the previous coverage year (2016) into the following renewal coverage year (2017).
3. The QHP IDs will remain the same from the current year (2016) to the renewal year (2017).
4. All QHP IDs for auto renewed plans will remain the same.
5. For billing purposes, a renewal is “Passive” when an individual/household takes no action to elect a different QHP for the renewal year. Customers renewing in the same QHP with a different CSR level are treated as “passive” renewals.
6. For billing purposes, a renewal is “Active” when an individual/household selects a new QHP for the renewal year with the same insurance carrier or a different insurance carrier. An enrollment becomes “Active” if the individual/household is initially auto-renewed, then subsequently takes action to select a different QHP.
7. Vermont Health Connect’s system is set to identify ALL 2017 transactions (834s) sent to WEX, the VHC premium processor, as “Renewal” (Passive) from the evening of November 18 through November 20, 2016. This will include any customer driven changes that were reported and processed prior to November 18th. Beginning on November 21st, the VHC system will change the default designation of all transactions to “New” (Active). The decision to manage files this way is to accommodate the vast-majority of renewal transactions where the QHP ID remains the same, meeting the “passive” renewal definition.
8. VHC will monitor any renewed QHP plans with a change in QHP ID, to ensure that payments are applied appropriately to comply with rule regarding the protection of the billing and grace periods for “Active” renewals.
9. For existing enrollees renewing their coverage, invoices will be issued on December 5th for January 2017 coverage, following the standard VHC billing cycle. The December 5th invoice will include the

household's outstanding 2016 balance both for households renewing in the same QHP, and for households actively renewing in a different QHP. The length of time it continues to be included on the invoices sent by WEX for the 2017 plans depends on whether the 2017 plan is sent by VHC as **RENEWAL** ("Passive) or as a **NEW PRODUCT** ("Active"). If the 2017 plan is sent down as RENEWAL, Balance Forward will persist until the 2016 balance is paid or the 2016 plan is terminated equal to the paid through date. If the new (2017) plan is sent as NEW PRODUCT (for Active renewal) the balance forward will only display during the ACA open enrollment period through January 2017. When the open enrollment ends, balance forward for 2016 plans will not be included on the invoice.

10. New applicants for coverage on VHC during the open enrollment period will be invoiced immediately following plan selection. Invoices include language indicating that payment is due 21 days from invoice date.

11. Carriers continue to manage the dunning process for their Vermont Health Connect enrollees.

12. The VHC weekly 820 payment file provides carriers the necessary information to apply payments appropriate against new coverage (2017) vs. prior balances (2016).

13. Enrollees (APTC and non-APTC) terminated for non-payment during the current benefit year are not prevented from enrolling in the renewal year during the open enrollment period, even with the same carrier.

14. Enrollees who select a new QHP for 2017 ("Active" renewals) and use the on-line pay pages to make payment can direct payment to the 2016 balance, or to the 2017 coverage. To pay for both plans (2016 and 2017), the customer is required to process two transactions. Enrollees who remain on the same QHP in 2017 will not be given the option to direct payment; payment will be applied to the oldest balance due.

15. If an enrollee making an active plan selection directs payment to the 2017 coverage, carriers may not apply payment against a prior balance, or reject enrollment in the 2017 coverage because of a prior balance.

16. Each month prior to dunning, VHC will supply each carrier with a list of their customers that are "Active" renewals for carriers to ensure that dunning is handled appropriately for these customers.

17. For new enrollees, full payment of the first month of 2017 coverage is required from the customer to effectuate enrollment.

18. For customers receiving APTC, in (90-day) grace periods spanning benefit years, and who are passively renewed all outstanding premium (past-due + current) must be paid by the end of the grace period. Carriers apply payment for these customers to the oldest balance. If the customer fails to pay all outstanding premium, coverage in the previous benefit year is terminated effective the last day of the first grace period month, as well as coverage in the new benefit year (2017).

19. Customers receiving APTC, in (90-day) grace periods spanning benefit years, and who actively completed plan selection, must pay their past due balance by the end of the grace period. If the customer fails to pay their past due balance, coverage in the previous benefit year is terminated retroactively, effective the last day of the first grace period month. Coverage in the new benefit year (2017) remains in place.

20. Customers receiving APTC in (90-day) grace periods spanning benefit years, and whose coverage is terminated for non-payment prior to the end of the annual open enrollment period, may select a new QHP. Customers must pay the first month's premium in full to be effectuated. Carriers may not reject the transaction for new enrollment, and may not apply the payment for new coverage against the customer's previous unpaid balance.

21. Customers not receiving APTC have a 30-day grace period. Customers in a grace period ending in December may be terminated for non-payment of current year premium effective December 31st. The customer is not prevented from enrolling for coverage in the renewal year.

a. Passive renewal households will be termed for 2016 and cancelled for 2017.

b. Active renewal households will be termed for 2016; 2017 will remain.

22. On December 5th, renewing enrollees will be invoiced for their passively renewed plan, or a for a different plan selection made between November 1st and December 4th. A renewing enrollee may select a different plan between December 5th and December 15th with a January 1st coverage effective date. These changes will be reflected in the following invoice on January 5th.