



State of Vermont Department of Vermont Health Access Vermont Health Connect

Individual Enrollment and Billing Timelines

**Latest Update
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1 Introduction and History

This document describes Vermont Health Connect’s (VHC) policies and processes for billing of initial and ongoing enrollment. It includes the basic policy and processes for full cost direct enrollment, both at initial enrollment and for transitions throughout the year. VHC and all carriers follow the timelines contained within this document for all plans sold on the marketplace.

Exhibit 1: Definition of Terms

Term	Definition
ACA	“Affordable Care Act” means the federal Patient Protection and Affordable Care Act (Public Law 111-148), as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152), and as Further-amended..
APTC	The Advanced Premium Tax Credit created by the ACA which takes the form of a Premium subsidy for eligible individuals who purchase a QHP through an Exchange. The APTC is paid directly from the US Government to issuers on behalf of an eligible individual in order to reduce the individual’s premiums.
Carrier	An insurance company, insurance service, or insurance organization (including HMO) that is required to be licensed to engage in the business of insurance in a State and that is subject to State law that regulates insurance. (This term will be used within the document)
CMS	Centers for Medicare and Medicaid Services. CMS is a department within the US Department of Health and Human Services.
Due Date	The date on which the Premium for a month of insurance coverage is due.
Effectuation	When a carrier inputs and activates enrollee information into their systems to begin coverage.
Exchange	The Vermont Health Benefit Exchange, doing business as Vermont Health Connect as defined in 33 V.S.A 1803
Enrollee	A qualified individual enrolled in a QHP offered through Vermont Health Connect
Full Cost Direct Enroll	An option to allow Vermonters to enroll directly with carriers in certified QHPs.
Open Enrollment	Annual period during which a Qualified Individual may enroll in new coverage or change coverage in a Qualified Health Plan.
Grace Period	A specified time following the premium due date during which an Enrollee may pay the premium without termination. Individuals who fail to pay their premium by the Due Date and who enter a grace period must pay all the outstanding Premium(s) as invoiced in order to maintain coverage.
Plan Year	The full Plan Year is January 1 – December 31. Customers may enroll mid-way through the year, with the end of the Plan Year consistently on December 31.
Premium	The dollar amount payable by the Enrollee to maintain coverage.
Premium Adjustment	A positive or negative dollar adjustment to the premium invoice.
Premium Month	A calendar month of insurance coverage for which a Plan Premium must be paid in order to procure or maintain coverage.
Qualified Health Plan (QHP)	A term defined by the ACA that refers to the medical and dental plans certified as meeting all requirements of essential health benefits, offered by an approved Carrier on Vermont Health Connect.
Reinstatement	Returning coverage to active status following termination.
Special Enrollment Period	A period of time other than annual open enrollment during which individuals are eligible to enroll in coverage as a result of certain qualifying life events. The duration of the Special Enrollment period is generally 60-days from the qualifying event. Some examples of special enrollment periods are described

fully [here](#)

2 Individual Market Initial VHC Enrollment Timeline During Open Enrollment

Open Enrollment in the Individual market generally runs from November 1 through January 31 (subject to annual determination by CMS).¹ Customers may complete selections up to December 15th for coverage to be effective January 1st. Customers are encouraged to complete an application on VHC and to select their QHPs and submit initial payment as early as possible to allow time for processing. Premiums are due 21 days from the invoice date. Initial enrollment information and payment is not forwarded to carriers by Vermont Health Connect until full payment is received for all plan selections. Enrollment information for customers renewing or making changes to coverage is sent as soon as enrollment processing is completed by VHC, and is not held pending receipt of Premium for the Premium Month.

Exhibit 2: Individual Initial Enrollment Timeline During Open Enrollment

Date	Item
November 1, 2015 (Start date is determined annually by CMS)	Open Enrollment for the following plan year begins. Individuals who complete plan selection for a QHP by December 15, will be sent their Premium invoices for the January Premium on the first non-holiday business day after they make their plan enrollment selection in VHC. Individuals who pay electronically at plan selection will not be mailed a separate invoice.
December 15, 2015	For new applicants, in order to begin QHP coverage on January 1 plan selection must be made by December 15. Applicants are strongly encouraged to complete plan selections and to pay their initial Premium as early as possible to allow time for enrollment processing and to ensure receipt of plan materials and ID cards.
February 2016 Coverage Start Date	Customers who select a QHP during the period from December 16, 2015 through January 15, 2016 shall receive a February 1, 2016 coverage effective date.
March 2016 Coverage Start Date	Customers who select a QHP during the period January 16, 2016 through the end of open enrollment, January 31, 2016, shall receive a March 1 coverage effective date.
January 31, 2016	The last day of open enrollment for 2016. Applicants who do not complete plan selection by January 31, 2016 must wait until next year's open enrollment period to apply for coverage, unless a household member experiences a qualifying event for a Special Enrollment Period.
January 31, 2016 forward	Special Enrollment Periods outside of annual open enrollment are triggered when a household experiences a qualifying event, as defined in the ACA, and can occur at any time. Qualifying events for special enrollment are outlined here .

3 Ongoing Individual VHC Billing Timelines

Invoices: Premium invoices for the next month's coverage generate on the fifth day of the month (i.e. the Invoice for a customer's June 2016 Premium is mailed on May 5, 2016). The Due Date on the invoice is the 26th of the month (i.e. the due date for an Individual's June 2016 Premium is May 26 2016). Premium payments are accepted as on time until the end of the month. However, paying the premium on or after the due date may mean that the customer's account will not be credited prior to the date that

¹ 45 CFR 155.410(d)

late payment notices are generated. Customers are encouraged to pay Premium in full as early as possible to avoid late payment notices.

Monthly Premium Payment:

- Premium payment is forwarded to the corresponding health Carrier weekly each Wednesday.
- In addition, Premium is forwarded to the corresponding Carrier on the last business day of each month.
- Only full payments are remitted; partial payments are withheld until the billed amount is received by the premium processor for all policies.
- Payment to Carriers takes place approximately two days after receipt by the Premium processor to allow time for clearance. If checks are returned for insufficient funds (NSF after remittance has occurred to Carriers, adjustments will be reported on the next remittance file.

Grace Periods: The Grace Period for customers receiving premium assistance (APTC and Vermont Premium Assistance) is three calendar months, as defined by CMS.² The Grace Period for customers not receiving APTC is one calendar month. Carriers must send a notice of termination to the customer 30 days before termination. The two following examples show how the grace period works for APTC and non-APTC enrollees. NOTE: If a customer's payment is received after the termination date, and (a) it was postmarked prior to the termination date, and (b) fully satisfies all current and past due Premium due, VHC will accept the payment as on-time and notify the Carrier to Reinstatement coverage.

Billing & Grace Period Timeline: VHC Individual Not Receiving APTC

Sample Premium Month = June 2016

Scenario = Individual's account is fully paid through May 2016, then fails to pay thereafter

Exhibit 3: Individual Not Receiving APTC

Date	Item
May 5, 2016	VHC generates June Premium Invoice
May 26, 2016	June Premium Due Date printed on Invoice
June 1, 2016	Customer has not paid June Premium, and Grace Period begins. Coverage continues for the month of June; the Carrier continues to pay claims during the first Grace Period month.
June 1, 2016	Vermont Health Connect sends the Carrier a file listing all customers with unpaid Premium as of 5/31. The Carrier sends a late payment ("dunning") notice to the customer indicating that a payment has been missed and that coverage will be terminated if full payment of the June and July Premiums is not received by June 30, 2016. This notice serves as a notice of termination that coverage shall be terminated, which must be sent to the customer 30 days before termination.
June 5, 2016	July Premium Invoice generated – Invoice includes balance bill for June Premium.

² 45 CFR 156.270(d)

June 26, 2016	Due date printed on customer's invoice for June and July Premium.
June 30, 2016	Payment for June and July must be received or postmarked by this date.
July 1, 2016	Vermont Health Connect sends the Carrier a file listing all customers who have not paid as of 6/30. The Carrier terminates the customer's coverage due to non-payment. The effective date of termination is June 30, 2016.
During July, 2016	If a customer's payment is received after the termination date which (a) was postmarked on or before the Due Date, and (b) fully satisfies the current Premium due (in this for case June and July), VHC will accept the payment as on-time and notify the Carrier to Reinstate coverage.

Billing & Three Month Grace Period Timeline for Individual Receiving APTC

Example: A customer is fully paid through May, 2016, but fails to pay the June, 2016 Premium. **Scenario** = Individual paid through May 2016 who then fails to pay thereafter

Exhibit 4: Individual Receiving APTC

Date	Item
May 5, 2016	VHC generates June Premium Invoice
May 26, 2016	June Premium Due Date printed on Invoice
June 1, 2016	Vermont Health Connect sends the Carrier a file listing all customers with past due Premium as of 5/31/ The Carrier sends late payment ("dunning") notice to customer and three month Grace Period begins. The Carrier continues to pay claims incurred in the first month of the grace period (June in this example).
June 5, 2016	July Premium Invoice generated. Invoice includes balance bill for June Premium.
June 26, 2016	Premium Due Date printed on the invoice for both June and July. Full Premium for both months must be paid as invoiced to exit the Grace Period. (Payment will be accepted as on-time if paid by the last day of the month)
July 1, 2016	Customer enters month 2 of the Grace Period. The Carrier begins pending claims for any claims incurred beginning July 1.
July 1, 2016	Carrier sends notice to Individual regarding late payment, indicating that all Premiums are due in full as invoiced for June and July 2016.
July 5 2016	August Premium Invoice generated. The invoice includes balance bill for June and July Premiums.
July 26, 2016	Premium Due Date for June, July and August. Full Premium must be paid as invoiced to exit the Grace Period.
August 1, 2016	Customer enters month 3 of the grace period. Vermont Health Connect sends the Carrier a file listing all customers past due as of 7/31
August 1, 2016	. The Carrier sends a notice to the Individual regarding late payment, indicating that coverage will be terminated if VHC does not receive full premium as invoiced by August 31, 2016. This notices serves as a notice of termination that coverage shall be terminated which must be sent to the customer 30 days before termination.
August 5, 2016	September Premium Invoice generated – Invoice includes balance bill for June, July, and August Premiums. The customer must pay June, July, August and September Premiums as invoiced to retain coverage and exit the Grace Period.
August 26, 2016	Premium Due Date for June, July, August and September. Premium for all four months must be paid in full as invoiced to exit the Grace Period.

August 31, 2016	Payment for June, July, August, and September must be received or postmarked from the customer by this date to avoid termination of coverage.
September 1, 2016	Vermont Health Connects sends the Carrier a file listing all customers past due as of 8/31. The Carrier terminates the household's coverage effective June 30 th , the last day of the first month of Grace Period.
During September, 2016	If a customer's payment is received after the due date and (a) it was postmarked prior to the due date, and (b) it fully satisfies the current Premium due (in this case June, July, August and September), VHC will accept the payment as on-time and notify the Carrier to Reinstate coverage.

Reinstatement*:

Generally, individuals may not be Reinstated following termination for non-payment at the end of the Grace Period and must wait to re-apply during the next annual open enrollment period. The following two exceptions allowing Reinstatement apply:

(A) In the case of erroneous termination.

(B) If the individual is enrolled in a QHP without APTC, the individual may request Reinstatement of coverage after termination for non-payment of Premium once per Plan Year. The individual must request Reinstatement within 30 days of termination for non-payment and must pay all invoiced and past-due Premiums prior to the last day of the month following the last month of coverage.

*HBEE 64.06(b)

4. Full Cost Direct Enrollment:

New Enrollment:

- Carrier-direct enrollees are invoiced monthly by the Carrier, subject to the Carrier's billing terms and conditions.
- Direct-enrollees must apply for plans separately with each carrier, and will receive separate invoices from each carrier monthly.

Transitions From Full Cost Direct Enrollment to Enrollment Through Vermont Health Connect:

- Outside of the annual open enrollment period, i.e. November 1, 2015 – January 31, 2016, customers enrolled in a plan directly from a Carrier may apply for a plan through Vermont Health Connect if the household experiences a life event qualifying for a special enrollment period as described [here](#).

- Customers eligible for enrollment through VHC under a special enrollment period may apply for APTC and other subsidies.
- Once enrolled in a QHP through VHC, enrollees will receive a monthly invoice from Vermont Health Connect. Payment for the first month's coverage is required prior to coverage.