

## **Vermont Health Connect Open Enrollment and Qualified Health Plan (QHP) Renewals for 2017**

### Background

This memo summarizes Vermont Health Connect (VHC)'s intended methodology for QHP annual redeterminations ("renewals") for 2017, pursuant to 45 CFR 155.335(a)(2)(iii). The VHC QHP renewals plan prioritizes customer experience, coordination with VHC carrier partners, and use of automated functionality.

### 2017 QHP Renewals

For 2017 renewals, VHC will again utilize automated renewals functionality which allows for self-service plan selection during open enrollment, self-service change reporting, automated noticing, and automated QHP issuer and billing integration.

#### 1. Renewals Preparation and System Setup

In early September, VHC will notice those who did not provide authorization to obtain IRS data for their renewal.<sup>1</sup> This "0 auth" notice will give instructions for providing authorization and explain that, if authorization is not given, any APTC will be removed for 2017.

As soon as 2017 QHPs have completed the rate review and certification process in early September, the VHC rules engine will be updated to calculate 2017 eligibility. VHC will implement one-to-one plan mapping for default reenrollment. Additionally, carriers will be given the opportunity to confirm the accuracy of 2017 plan data from the VHC live system prior to open enrollment, and the plans will be posted on the VHC Informational Site for customer shopping.

The goal of this preparatory phase is to have all the updated rules and plans and authorizations in place to project 2017 eligibility for VHC customers prior to open enrollment.

#### 2. Noticing and Plan Mapping

In late October,<sup>2</sup> VHC will send standardized renewal notices to all enrolled households<sup>3</sup> directing them to the portal, or to call the call center, for their projected eligibility and mapped plan for 2017. The notices will stress the importance of reporting updated income information, the requirement to report any eligibility change and instructions for doing so. The notices will also include a description of open enrollment, the redetermination process, and the plan selection deadline for January 1, 2017 coverage. Finally, the standard renewal notices will include generic

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<sup>1</sup> 45 CFR 155.335(k).

<sup>2</sup> 45 CFR 155.335(d), 155.410(d).

<sup>3</sup> Approximately 20,000 households.

reminders and calls to action for those who have not provided authorization for retrieval of IRS data, those with outstanding data-matching issues, age-off populations, and those who have not yet reconciled APTC with the IRS through the tax filing process.<sup>4</sup>

Concurrently, carriers will send renewal notices to customers that will include the cost of their 2016 plan, amount of any APTC/CSR received in 2016, and cost of 2017 plan.<sup>5</sup> VHC will provide detail to carriers for customers receiving Vermont Premium Assistance for inclusion in this notice as well.

Subsequently in October, VHC will process a batch activity wherein eligibility is projected for every household based on most recent, customer-reported case data. As part of this process, the hub is pinged,<sup>6</sup> and verification statuses are refreshed.<sup>7</sup> The projected eligibility is populated into the VHC portal along with re-enrollment (plan mapping) for customer review. Projected eligibility will account for age-offs including age 30 catastrophic plan enrollees.

This activity will also be the basis of the transmission of a batch re-enrollment file to QHP issuers. This will re-enroll all known QHP enrollees into an equivalently mapped 2017 QHP. This default passive enrollment will aid to maintain the State's existing high rate of insured individuals.

### 3. Outreach and Education

Vermont's open enrollment effort will be supported by the broad availability of in-person assistance, online health insurance literacy resources, key community partners, and mass media reminders of key deadlines.

VHC's Assister Network consists of more than 230 Navigators, Brokers, and Certified Application Counselors. These Assistors provide in-person enrollment assistance in all 14 counties of the state. They also coordinate with VHC's outreach campaign to promote health insurance literacy, help customers understand the total cost of insurance, and ensure that Vermonters are aware of the increasing federal fee for not having health insurance.

VHC plans to again use the online Plan Comparison Tool to help Vermonters better understand their subsidies and assess how various plan designs and out-of-pocket costs could impact their

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<sup>4</sup> 45 CFR 155.305(f)(4). The notice template has not changed for 2017.

<sup>5</sup> 45 CFR 156.1255.

<sup>6</sup> It is the State's goal to use the Renewals Re-Verification (RRV) Service for this process. RRV is in scope for delivery by the end of 2016, but an earlier deployment may be possible, contingent on contract execution and timeline. To the extent VHC continues to use the synchronous service including DHS and other sources, VHC will maintain its current configuration including use of VLP Step 1 only (using SAVE manual checks in lieu of Steps 2 and 3). *Update as of September 19, 2016*: VHC will not implement RRV for use in 2017 annual redetermination.

<sup>7</sup> Pursuant to CCIIO's July 21, 2016 guidance, VHC intends to implement a 25% threshold for income decreases during annual redetermination for 2017.

total health care costs. The tool was created by the non-profit Consumers' Checkbook and was named the nation's best plan selection tool by Robert Wood Johnson. It will be updated after 2017 plans and rates are finalized and is expected to play a key role in equipping individuals and employees of small businesses to choose the best health plan for their families' needs and budgets.

VHC will again team up with partners such as community libraries and pharmacies to hold events and distribute "Health Insurance 101" materials across the state. Additional outreach will focus on organizations that support underserved populations such as farmers, justice-involved individuals, low income women, and refugees and other immigrants. Finally, earned and paid media will be used in an attempt to reach other Vermonters – especially the small remaining number of uninsured Vermonters – and make sure that they know about open enrollment deadlines, the availability of financial help, and the shared responsibility provision fee for not having health coverage.

#### 4. Redetermination

Beginning November 1, 2016, enrollees will be able to call or log into the portal to report a change for their renewal.<sup>8</sup> This will include the ability to authorize retrieval of tax information. Changes will be implemented using the automated change in circumstance (COC) process, and 2017 eligibility will be updated accordingly. An 834 transaction will be generated overriding the original re-enrollment. A person may report a change or select a new plan up until December 15 for January 1, 2017 coverage.<sup>9</sup>

If an enrollee does not report a change by December 15, they will be re-enrolled according to their projected eligibility and mapped plan. Eligibility is determined based on the most recent information on the customer's case. All households will receive a notice of decision after the redetermination is complete.

- Failure to Reconcile

Redetermination includes the loss of APTC for those who did not provide authorization or the IRS indicates did not file taxes to reconcile APTC for 2015. VHC will remove APTC for those households receiving the IRS FTR indicators of 007, 009, and 010. Those enrollees projected to lose their APTC pursuant to FTR can call the call center to attest that taxes have been filed and APTC reconciled and receive a new eligibility determination for APTC. VHC will conduct

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<sup>8</sup> Self-service renewal is contingent on testing. Irrespective of the availability of self-service, call center representatives are trained to process renewals on behalf of customers.

<sup>9</sup> 45 CFR 155.410(f)(2)(i).

outreach encouraging customers to update their accounts after filing taxes. VHC is also considering doing a recheck of “009” (filing extension) FTR cases in early December.<sup>10</sup>

#### 5. Interaction with Medicaid

VHC is an integrated marketplace providing both Medicaid and QHP coverage. Under its mitigation plan with CMCS, VHC must renew its entire MAGI-based Medicaid population before the end of the year. Therefore, QHP renewals and certain Medicaid renewals will be taking place contemporaneously during open enrollment. For “mixed” households with both Medicaid and QHP enrollees, the QHP renewal notice includes language reminding customers that eligibility for the entire household will be updated as a result of a reported change, if applicable. Medicaid members in mixed households will be renewed through a separate process and will receive Medicaid specific renewal notices.

#### Regulatory Standard

The State’s approach to annual redetermination meets federal standards for approval of an alternative procedure<sup>11</sup> by:

- facilitating continued enrollment in coverage,
- providing clear information about the process to the qualified individual or enrollee (including regarding any action by the qualified individual or enrollee necessary to obtain the most accurate redetermination of eligibility), and
- providing adequate program integrity protections.

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<sup>10</sup> *Update as of September 19, 2016*: this section was revised after discussions with CMS and IRS confirming their expectation that all three FTR indicators result in loss of APTC eligibility.

<sup>11</sup> 45 CFR 155.335(a)(2)(iii).