



Revised: 2017 – 2018 Renewal and Annual Open Enrollment Period

September 2017

Billing, Dunning, Grace Period Policy & Assumptions:

1. VHC will auto renew 2017 QHP enrollees into the equivalent 2018 QHP (to be 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 (2017) into the following renewal coverage year (2018).
3. The QHP IDs will remain the same from the current year (2017) to the renewal year (2018).
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. Also, households adding or removing dependents resulting in a change of enrollment tier, but who remain enrolled in the same QHP are “passive” renewals. Renewal of all dental plans are considered passive.
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 an action to select a different QHP.
7. Vermont Health Connect’s system is set to identify ALL 2018 transactions (834s) sent to WEX, the VHC premium processor, as “Renewal” (Passive) from the evening of November 18 through November 20, 2017. 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 2018 coverage, following the standard VHC billing cycle. The December 5th invoice will include the household’s outstanding 2017 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 2018 plans depends on whether the 2018 plan is sent by VHC as **RENEWAL** (“Passive) or as a **NEW PRODUCT** (“Active”). If the 2018 plan is forwarded as RENEWAL, the Balance Forward will persist until the 2017 balance is paid or the 2017 plan is terminated effective on the paid through date. If the new (2018) plan is sent as NEW PRODUCT (for Active renewal) the balance forward will only display during the ACA open enrollment period through January 2018. When the open enrollment ends, the balance forward for 2017 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 (2018) vs. prior balances (2017).
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 2018 (“Active” renewals) and use the on-line pay pages to make payment can direct payment to the 2017 balance, or to the 2018 coverage. To pay for both plans (2017 and 2018), the customer is required to process two transactions. Enrollees who remain on the same QHP in 2018 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 2018 coverage, carriers may not apply payment against a prior balance, or reject enrollment in the 2018 coverage because of a prior balance.
16. Upon request prior to the monthly dunning cycle, VHC will supply each carrier with a list of their enrollees who are “Active” renewals to ensure that dunning is handled appropriately for these customers.
17. For new enrollees, full payment of the first month of 2018 coverage is required from the customer to effectuate enrollment.

18. Customers receiving APTC, and 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 (2018).

19. Customers receiving APTC, and 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 (2018) remains in place.

20. Customers receiving APTC, and 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 will be unable to enroll for coverage until 2019 open enrollment period unless s/he experiences a qualifying event for a special enrollment period in 2018.

a. Passive renewal households will have coverage terminated for 2017 and will be cancelled for 2018.

b. Active renewal households will be termed for 2017; 2018 coverage will remain in place.

22. On December 5th, renewing enrollees will be invoiced for their passively renewed plan, or 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.