Medicaid/CHIP Periodic Data Matching (Medicaid/CHIP PDM): Final Notices

Financial Help is Ending for Consumers Enrolled in Marketplace Coverage with APTC or CSRs and Medicaid or CHIP

Spring 2017
Medicaid/CHIP PDM: Final Notices

This presentation will cover:

• A refresher on what’s new for Medicaid/CHIP PDM
• How the Medicaid/CHIP PDM final notice affects consumers
• How you can help consumers who receive the final notice
• Where you can find additional resources
Medicaid/CHIP PDM: Background

• If consumers have been determined eligible for or are enrolled in Medicaid or CHIP that counts as qualifying health coverage (also called minimum essential coverage, or MEC)*, they are NOT eligible to receive advance payments of the premium tax credit (APTC) or income-based cost-sharing reductions (CSRs) to help pay for a Marketplace plan premium and covered services.**

• Marketplaces must:
  • Periodically examine available data sources to determine whether consumers who are enrolled in Marketplace coverage with APTC or CSRs have been determined eligible for Medicaid or CHIP (45 CFR 155.330(d))***
  • Notify these consumers, and if the consumer doesn’t respond to the notice, end APTC/CSRs (45 CFR 155.330(e))

• Medicaid/CHIP PDM identifies consumers enrolled in BOTH Marketplace coverage with APTC or income-based CSRs AND Medicaid or CHIP

*Most Medicaid or CHIP counts as qualifying coverage; some forms of Medicaid cover limited benefits (like Medicaid that only covers emergency care, family planning or pregnancy-related services) and are not considered qualifying coverage.

**Note: Generally, a consumer who is eligible for income-based CSRs will also be eligible for APTC. However, not all consumers who are eligible for APTC will be eligible for income-based CSRs; income-based CSRs are only available to consumers with household incomes between 100% and 250% of the Federal Poverty Level (FPL), whereas consumers with household incomes between 100% and 400% of FPL may be eligible for APTC. If a consumer still wants a Marketplace plan after having been determined eligible for MEC Medicaid or CHIP, he or she will have to pay full cost for his or her share of the Marketplace plan premium and covered services, if otherwise eligible.

***Current functionality checks whether a consumer enrolled in Marketplace coverage with APTC/CSRs is enrolled in Medicaid or CHIP. References to the Marketplace refer throughout to the Federally-facilitated Marketplaces (including State Partnership Marketplaces) and State-based Marketplaces using the federal platform.
Medicaid/CHIP PDM: Overview

• The Marketplace is ending APTC/CSRs for consumers* found to be enrolled in Marketplace coverage with APTC/CSRs and Medicaid or CHIP, who didn’t respond by the date specified in an initial warning notice.

• In March 2017, the household contact for dually-enrolled consumers was sent an initial warning notice, requesting that they take action by the date listed in the notice to end Marketplace coverage with APTC/CSRs, or update their application to tell the Marketplace that they’re not enrolled in Medicaid or CHIP.

• This Spring, a final notice is being sent to the household contact for consumers who did not respond by the date specified in the initial warning notice, to inform affected consumers that the Marketplace has ended any APTC/CSRs being paid on their behalf. Their Marketplace coverage will continue without financial help, and eligibility for APTC/CSRs has been redetermined for anyone else on the Marketplace plan, if applicable. The final notice provides the date that these changes become effective. An updated Eligibility Determination Notice (EDN) has also been sent for all consumers in the household.

• All notices are mailed/posted to consumers’ online Marketplace accounts, depending on what the consumer selected as his or her communication preference.

*Due to technical limitations, dually-enrolled consumers in the following Marketplace states will not receive notices in the Spring/Summer 2017 round of Medicaid/CHIP PDM: Arkansas, Georgia, New Jersey, and Ohio. Consumers in these states will not be affected by this round of Medicaid/CHIP PDM.
Medicaid/CHIP PDM: Final Notice

- This Spring, the Marketplace is sending a final notice to the household contact for consumers who did not take action by the date in the initial warning notice, to inform him or her that the Marketplace has ended financial help being paid on the consumer’s behalf, alert the household contact of the date on which Marketplace coverage without financial assistance will become effective, and provide instructions for next steps, such as ending Marketplace coverage, confirming whether or not the consumer is enrolled in Medicaid/CHIP, and appealing the Marketplace’s decision.

- The dually-enrolled consumers will remain enrolled in Marketplace coverage at full cost.

**IMPORTANT:** If consumers don’t want to pay full cost for their share of the Marketplace plan premium and covered services, they’ll need to end their Marketplace coverage immediately.

- For any other household members on the application who were not found to be dually-enrolled, Marketplace coverage will continue. The Marketplace has redetermined their eligibility for APTC/CSRs, if applicable.

- The Marketplace is also sending an updated EDN to inform the household of the change in financial help.
Medicaid/CHIP PDM: Final Notice Sample

[Household Contact]                                      [Date]
[Mailing Address]                                       
[City], [State] [Zip Code]

IMPORTANT: Members of your household are still enrolled in a Marketplace plan but will no longer get financial help.

Application date: [Application Submission Date]
Application ID: [Application Identifier]

Dear [Household Contact First Name]:

You’re getting this notice because the people listed below will no longer receive financial help to help pay for their coverage through a Marketplace health plan. They’ll still have a Marketplace health plan, but they won’t get advance payments of the premium tax credit (APTC) and income-based cost-sharing reductions (CSRs), if applicable, for their share of the Marketplace plan premium and covered services. This change will be effective on [effective date].

- [Application Member Names]
- [Application Member Names]
- [Application Member Names]

If you don’t want to pay full cost for their share of the Marketplace plan premium and covered services, you’ll need to end their Marketplace coverage immediately. To learn how to end Marketplace coverage, see the “What should I do next?” section below.

For anyone on the Marketplace plan who isn’t listed above, their Marketplace plan will continue and their eligibility for APTC and CSRs is redetermined, if applicable. Based on the information you submitted on your application, your tax household is now eligible for a tax credit of $[maxAPTC] each month, which is $[maxAPTC x 12] for the year. An updated eligibility determination notice for the household has been sent that will tell you how much APTC/CSRs your household can use to help pay for Marketplace coverage, if applicable. Contact your plan to find out your share of the total premium amount, after this change.
What You Should Know: How to Help

Consumers who receive the Medicaid/CHIP PDM final notice may contact you:

- For help understanding the notice
- For help ending Marketplace coverage
  - See “Other Resources” slide for instructions on ending Marketplace coverage when a consumer gets Medicaid or CHIP
- If they don’t think they’re enrolled in Medicaid or CHIP; aren’t sure they’ve been determined eligible for or they’re enrolled in Medicaid or CHIP; OR aren’t sure if their Medicaid/CHIP counts as qualifying health coverage
  - Consumers may wish to contact their state Medicaid/CHIP agency to confirm their eligibility/enrollment status (instructions in notice); consumers can then take action based on their Medicaid/CHIP eligibility/enrollment status (e.g. ending Marketplace coverage; appealing the Marketplace’s decision)
- If they disagree with the Marketplace’s decision
  - Information about appeals is in the notice
Medicaid/CHIP PDM: Estimated Timeline*

- **March 2017**: Initial warning notices sent to consumers who may be dually-enrolled, as identified through Medicaid/CHIP PDM.

- **Spring 2017**: Marketplace ends APTC/CSRs for consumers who did not take action by the date specified in the initial warning notice; final notices sent to affected consumers to inform them of the change in their financial assistance. Updated EDN also sent to these households.

- **Summer 2017**: Marketplace coverage without financial assistance becomes effective for affected consumers.

*All dates subject to change*
Other Resources

• Sample Initial Warning Notice

• Sample Final Notice

• HealthCare.gov instructions on ending Marketplace coverage when a consumer gets Medicaid or CHIP: https://www.healthcare.gov/medicaid-chip/cancelling-marketplace-plan/

• HealthCare.gov general instructions on ending Marketplace coverage: https://www.healthcare.gov/reporting-changes/cancel-plan/

• List of Medicaid programs that aren’t considered qualifying coverage: https://www.healthcare.gov/medicaid-limited-benefits/