

## Pre-Enrollment Verification for Special Enrollment Periods

The Centers for Medicare and Medicaid Services (CMS) is committed to making sure that Health Insurance Marketplace special enrollment periods are available to those who are eligible for them, and equally committed to avoiding any misuse or abuse of special enrollment periods. Over the last year, we have taken a number of steps to balance these commitments. Today, we are announcing a pilot program starting in 2017 that will test the impact of pre-enrollment verification of special enrollment period eligibility through HealthCare.gov on compliance, enrollment, continuity of coverage, the risk pool, and other outcomes.

### **The Pre-Enrollment Verification Process:**

- CMS will pilot pre-enrollment verification in all states and all counties served by the HealthCare.gov platform.<sup>1</sup>
- All special enrollment period types will be subject to enhanced verification in some form, whether through the pilot or through other enhanced procedures. In particular, applications based on loss of minimum essential coverage will be included in the pilot.
- The pilot will begin in June 2017 and CMS anticipates basing future decisions about special enrollment period verification procedures on the results of the pilot.
- 50 percent of new applications with relevant special enrollment periods will be part of the pilot and applicants will be required to submit documents before their coverage begins. Applications will be randomly selected for the pilot.
- Consumers included in the pilot will still be able to submit their application and select a plan, with a coverage effective date determined by the date of plan selection. However, the Marketplace will “pend” the consumer’s enrollment until the consumer submits documents that establish their eligibility for a special enrollment period.
- Consumers will be given 30 days to provide document. They can upload documents into their account on HealthCare.gov or send their documents in the mail. The Marketplace Call Center will be able to provide consumers with information on the status of their documents.
- Once a consumer has submitted appropriate documents, the Marketplace will send their enrollment to the issuer. The consumer will be able to pay their premium, and their coverage will begin, generally with the original coverage effective date.
- CMS will evaluate the impact of pre-enrollment verification on the risk pool, using data on 2017 claims that will become available in the spring of 2018. CMS will also evaluate the impact of the pilot on enrollment and other metrics on an ongoing basis.

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<sup>1</sup> States on HealthCare.gov include Federally-facilitated Marketplace (FFM) states and states with State-based Marketplaces that rely on the HealthCare.gov platform (SBM-FPs).

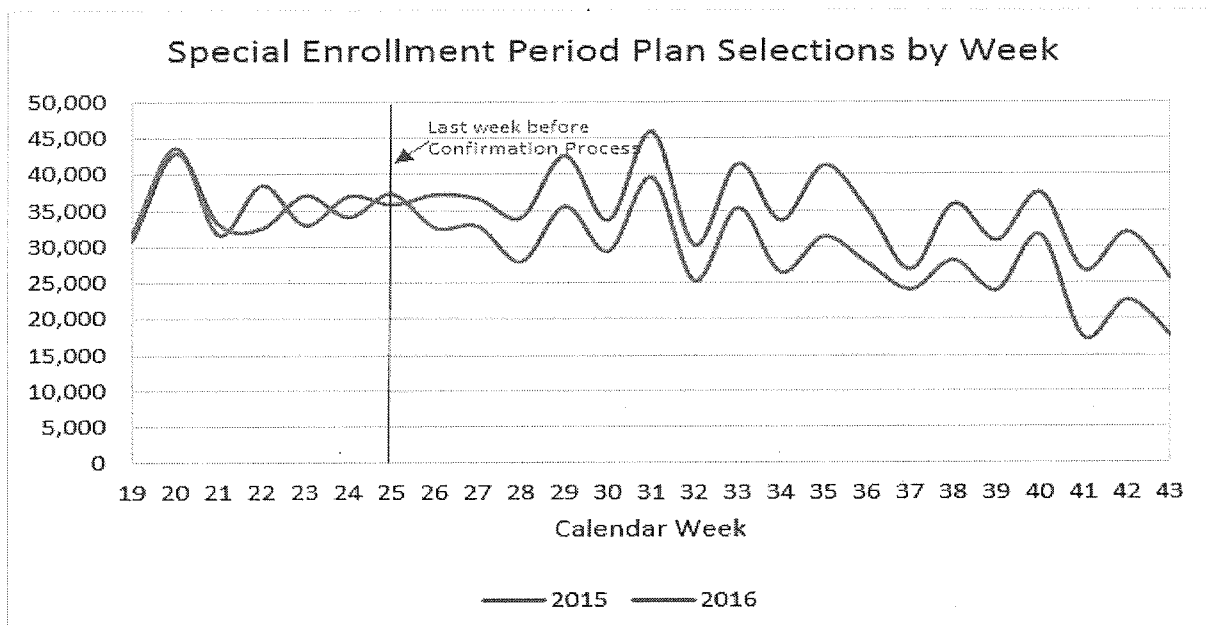
- Before the pilot begins in the summer of 2017, CMS will offer extensive training to Navigators and assisters, as well as agents and brokers, so they are able to help consumers find and submit the necessary documents. We will also have consumer-facing information publicly available on HealthCare.gov
- Feedback on the Pre-Enrollment Verification Pilot for SEPs should be sent to SEP@cms.hhs.gov.

**Prior Special Enrollment Period Program Integrity Actions:**

Earlier this year, CMS added warnings to HealthCare.gov to discourage the inappropriate use of special enrollment periods. We have also eliminated several special enrollment periods that were no longer needed and tightened the eligibility rules for certain special enrollment periods.

In June 2016, we introduced a Special Enrollment Confirmation Process under which consumers enrolling through the most common special enrollment periods through HealthCare.gov are directed to provide documentation to confirm their eligibility for their special enrollment period. Consumers who are selected for review and are unable to prove their eligibility have their coverage terminated.

We have begun to learn about how the Special Enrollment Confirmation Process is affecting the Marketplace. Since implementing this process in June, we have seen a 20 percent reduction in the number of consumers enrolling through special enrollment periods, compared to 2015, with every week since the implementation of the confirmation process in 2016 showing lower enrollment than the corresponding week in 2015.



The early results of the Special Enrollment Confirmation Process also suggest that younger consumers are disproportionately likely to fail to complete the verification process. A preliminary snapshot of consumers selected for review showed that 73 percent of applications with a household contact ages 55-64 submitted documents after initial outreach, but only 55 percent of those ages 18-24 did so.

CMS intends to monitor the impact of the new Pre-enrollment Verification Pilot on take-up rates for different groups of consumers, which could have effects on the individual market risk pool.