

February 2014

The Affordable Care Act:

Open and Special Enrollment on the Health Insurance Marketplace



BlueCross BlueShield
of Texas

Open and Special Enrollment Periods on the Health Insurance Marketplace

The opening of the Health Insurance Marketplace allows people who may not have previously had access to health insurance to purchase individual health care policies.

While many people will continue to keep employer-sponsored coverage, others may have lost their coverage, or simply want to explore their options on the Marketplace.

Open enrollment for individual coverage for eligible U.S. citizens and lawfully present individuals on the Marketplace extends from Oct. 1, 2013, to March 31, 2014.

Once open enrollment ends on the Marketplace, there are still certain circumstances that allow someone to apply for coverage on the Marketplace. Here are some FAQs about open enrollment, special enrollment periods and COBRA:

Q When does coverage on the Marketplace take effect?

A Since open enrollment for 2014 will last longer than usual — from Oct. 1, 2013, to March 31, 2014 — the effective date of an individual's health insurance coverage will depend on when the individual signs up for a plan:

- Enrolls between the first and 15th of any subsequent month — coverage will be effective on the first day of the following month. For example, if an individual enrolls on Jan. 5, 2014, coverage will start on Feb. 1, 2014.
- Enrolls between the 16th and the last day of any month between Dec. 1, 2013, and March 31, 2014 — coverage will be effective on the first day of the second following month. For example, if an individual enrolls on Feb. 22, 2014, coverage will start on April 1, 2014.

For 2015, the open enrollment period will begin on Nov. 15, 2014, and will end on Jan. 15, 2015, for coverage beginning as early as Jan. 1, 2015.



Q What if a person's situation changes and he needs health care coverage? Can he go to the Marketplace outside of the open enrollment period?

- A** If a person loses his job or has another qualifying life event, he may qualify for a special enrollment period on the Marketplace. A person will qualify if:
- He loses minimum essential coverage, including through divorce.
 - He gains a dependent or becomes a dependent through marriage, birth, adoption or placement for adoption or foster care.
 - He becomes a citizen, national or lawfully present individual.
 - He is eligible to enroll but didn't because of a mistake, misrepresentation or inaction of an officer, employee or agent of the Marketplace.
 - The plan he enrolled in substantially violated a material provision of its contract with the individual.
 - He becomes newly eligible for premium tax credits or cost-sharing assistance.
 - He becomes ineligible for premium tax credits or cost-sharing assistance.
 - He makes a permanent move and has access to new health plans.
 - He is a member of an American Indian tribe (American Indians can enroll in a plan or change plans one time each month).
 - He demonstrates to the Marketplace that he has other extenuating circumstances that qualify him for special enrollment.

When any of these situations happen, he will have 60 days to go to the Marketplace to enroll in a health insurance plan or change plans.

If he buys insurance directly from Blue Cross and Blue Shield of Texas, he can update his information online in Blue Access for MembersSM or by calling the number on the back of his member ID card. A new member who bought directly from us, but may not have received a group or member number, may call Customer Service at 888-697-0683 to update his information. If he loses his coverage during the year, he can also qualify for a special enrollment period on the Marketplace subject to certain exceptions, including loss of coverage for failure to pay premiums on a timely basis.

Q If a person is covered as an individual in the Marketplace, can he decide to drop his Marketplace coverage at any time and come back on the employer-sponsored group plan?

- A** The qualifying events for an individual to be eligible for the group coverage plan are the same qualifying events as listed above. There must be an open enrollment or a qualifying event in order for the employee to come back on the group health plan.

Q If a person has employer-provided coverage, can he seek coverage on the Marketplace?

- A** Yes, a person with employer-provided coverage may seek coverage on the Marketplace. However, if the person is eligible for employer-sponsored coverage that is affordable and meets minimum value, he may not be eligible for the premium tax credit and cost-sharing assistance on the Marketplace. He should also review his employer's eligibility rules before making a decision about the coverage option that is right for him.



Q What if an employee is not on the group plan and is not eligible until open enrollment of May 1, 2014? Can he obtain coverage on the group plan effective for Jan. 1, 2014, or does he have to wait for open enrollment? If he has to wait until open enrollment, will he face a penalty?

A Affordable Care Act (ACA) regulations state that an individual is not liable for a penalty for lack of carrying minimum essential coverage until they have had an opportunity to enroll in the employer's health plan if they will be eligible during the annual open enrollment. For example, in this case, because the employee is eligible for his group plan, but open enrollment does not begin until May 1, 2014, he will not face a penalty for not having minimum essential coverage. However, he will not be able to enroll in his employer's coverage until May 1, 2014.

Q How will ACA affect COBRA eligibility?

A ACA did not eliminate COBRA or change the COBRA eligibility rules.

Q If a person loses his job, can he retroactively get coverage on the Marketplace? For instance, if he loses his job and his coverage ends on Feb. 1, can he buy an individual plan on the Marketplace on March 1 and be covered retroactive to Feb. 1?

A No. If a person purchases coverage on the Marketplace on March 1, it would begin on April 1.

Q Can someone drop COBRA coverage to get Marketplace coverage at any time?

A No. A person can only drop COBRA coverage to switch to Marketplace coverage during the open enrollment period. Outside of the open enrollment period, a person can seek Marketplace coverage once his COBRA coverage expires.

Q If an individual who previously selected a plan wants to switch plans, is that an option through March 31, 2014?

A If an individual enrolled in an off-Marketplace plan, the individual can switch to a new plan during open enrollment. The individual would need to submit a new application to make a new plan choice.

If an individual enrolled in a plan via the Marketplace, plan changes are not allowed after the member has paid or after the effective date of the policy, except on an individual exception basis. Once a member pays his first month's premium, he will not be able to cancel his policy until the end of the first coverage month. If a member cancels his on-Marketplace plan, either voluntarily or due to non-payment, he will not be able to enroll in another Marketplace plan unless he qualifies for a Special Enrollment Period or do so during the next open enrollment.

However, if the individual wants to cancel the Marketplace plan during open enrollment and enroll off-Marketplace, he could, but again, he would not receive a premium tax credit and cost-sharing assistance.

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