Assisting Consumers with Complex Situations

March 30, 2016



Tips for Agents and Brokers Assisting Consumers in the Federally-facilitated Marketplaces (FFMs)

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

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Disclaimer

The information provided in this presentation is intended only as a general informal summary of technical legal standards. It is not intended to take the place of the statutes, regulations, and formal policy guidance that it is based upon. This presentation summarizes current policy and operations as of the date it was presented. Links to certain source documents have been provided for your reference. We encourage audience members to refer to the applicable statutes, regulations, and other interpretive materials for complete and current information about the requirements that apply to them.

This document generally is not intended for use in the State-based Marketplaces (SBMs), but some of the material in it might be relevant if you are in a state with an SBM that is using HealthCare.gov for eligibility and enrollment. Please review the guidance on our Agents and Brokers Resources webpage (http://go.cms.gov/CCIIOAB) and Marketplace.CMS.gov to learn more.

Webinar Objectives

- Present information so you can help consumers in the FFMs with certain complex situations, including consumers who:
  - Are part of multi-tax households
  - Have family members enrolling in different qualified health plans (QHPs)
  - Need to understand how to deal with advance payments of the premium tax credit (APTC) and the premium tax credit (PTC)
  - Find they are eligible for other coverage (Medicare/Medicaid/Children's Health Insurance Program [CHIP]) when also enrolled in a QHP through the FFMs
- Review scenarios so you can apply your knowledge of how to assist consumers in these situations
- Remind you to remind consumers they:
  - *May not* maintain coverage with APTC in the Individual Marketplace and in Medicare/Medicaid at the same time
  - *May* maintain Small Business Health Options Program (SHOP) Marketplace coverage and Medicare simultaneously

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Multi-tax Household

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Determining if a Consumer's Household Is a Multi-tax Household

- "Tax household," for the FFMs, usually includes the tax filer, the tax filer's spouse if applicable, and their tax dependents.
- See HealthCare.gov's guidance on who to include in a tax household for more information.

Tax Filer + Spouse + Tax Dependents = Household

Determining if a Consumer's Household Is a Multi-tax Household (continued)

- "Multi-tax households" are more complex households where family members file more than one (1) federal income tax return (e.g., domestic partners, parents with non-tax dependent children who file their own taxes).
- Ask if the consumer is applying for help paying for coverage.
  - If the consumer indicates he or she is interested in help, assist the consumer in determining whether the consumer's household is a multi-tax household.
  - If the consumer is not interested in help paying for coverage, the consumer will not need to provide any information about household income or his or her family's tax filing status.
- Identify the people in the household and their plans for filing taxes for 2017 by asking the consumer the following questions:
  - Do you plan on filing a federal income tax return for 2017?
  - If married, do you plan to file jointly with your spouse?
  - Will you claim any dependents?
  - Does anyone in the household file taxes separately?

Completing Separate Applications for Members of Multi-tax Households

- Currently, the FFMs cannot support people from different tax households enrolling in a QHP together with APTC on one application. Therefore, people in different tax households must file a separate application for each tax household.
- You can help the consumer complete separate Marketplace applications for each tax household by following these steps:
  1. For each tax household, list members of the tax household as applicants (applying for coverage) on only ONE (1) application.
  2. List the other household members as non-applicants (not applying for coverage) on the application.
  3. Each tax household application will be on its own policy, but the different tax households can still select the same QHP, if they choose.

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Family Members Enrolling in Different QHPs

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Reasons for Enrolling in Different QHPs

- Family members may choose to enroll in different QHPs for many reasons:
  - Availability of preferred health care providers
  - Qualification of some family members for other health coverage, such as employer-sponsored coverage, Medicare, Medicaid, or CHIP
  - Young-adult children may live outside the coverage area for QHPs selected by other family members.



Defining Enrollment Groups

- People who will be enrolled in the same QHP are referred to as an "enrollment group."
  - Because QHP issuers have different rules about who is an eligible dependent, HealthCare.gov's Plan Compare screens will display enrollment groups the applicant can use and the QHPs that are available for that set of groups.
  - The applicant can also form different enrollment groups from what HealthCare.gov initially displays. However, if an applicant forms an enrollment group that is not supported by any QHPs in his or her service area, the applicant will be prompted to regroup family members until valid groups are formed.
  - Families with more than three children under 21 may benefit from being in one enrollment group, since an additional premium is not charged for additional children under 21 (i.e., more than three) who are enrolled in the same plan.
- Note: Family members who enroll in different QHPs may be members of separate tax households, but may also be members of a single tax household. One (1) condition is not dependent on the other.

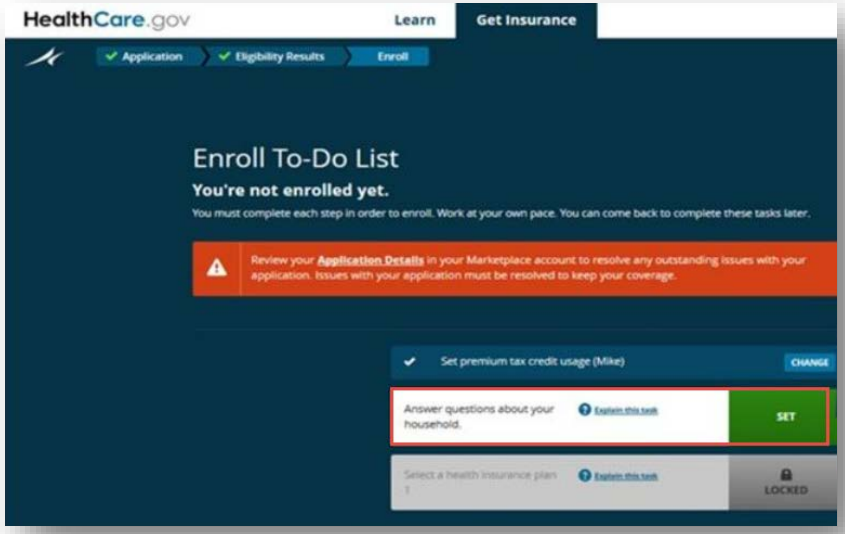
Eligibility Determination for Insurance Affordability Programs

- The Marketplace conducts an eligibility determination for insurance affordability programs (including Medicaid and CHIP) for each family member who requests coverage with financial assistance.
  - These eligibility determinations may result in families qualifying for and enrolling in different QHPs and programs. For example, a family may have parents who enroll in a QHP through the Marketplace, a 12-year-old child who is eligible for CHIP, and a 20-year-old child who is eligible for Medicaid.
  - Also, recognize that many families have members with different immigration and citizenship statuses. Different family members could be eligible for different health coverage options due to their citizenship or immigration status.

How to Enroll Family Members in Different QHPs

To assist consumers with enrolling qualified family members in different QHPs, direct consumers to follow these steps:

1. Complete the first part of the Marketplace application and proceed to the enrollment section.
2. Select the "Answer questions about your household" task and the “Set” button in the “Enroll To-Do List” section.



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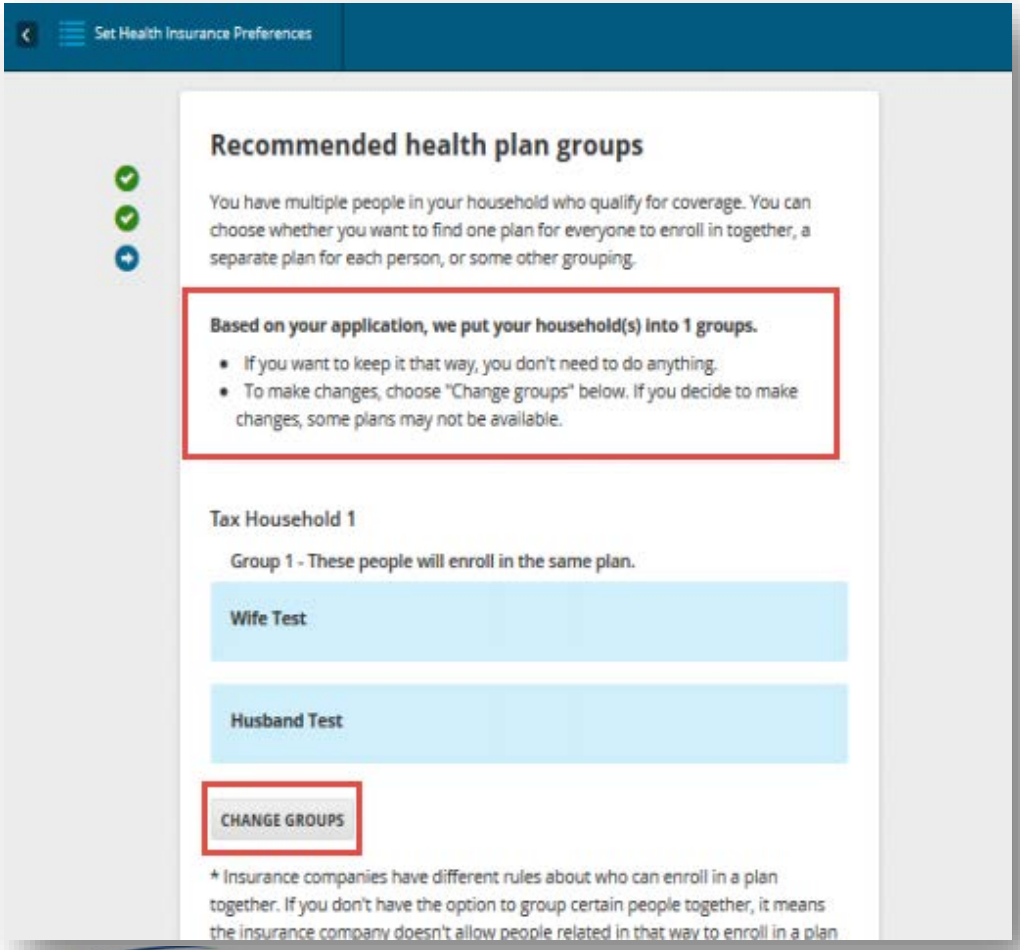
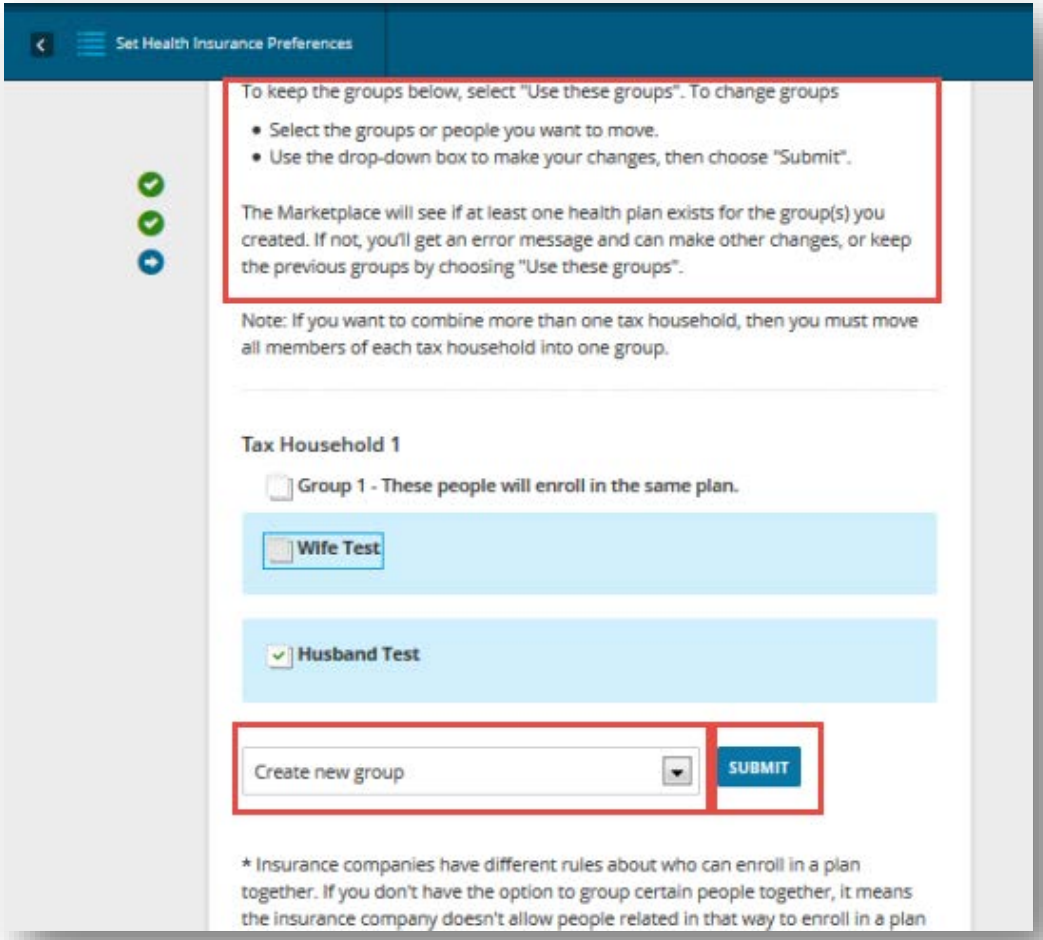
How to Enroll Family Members in Different QHPs (continued)



3. Separate the initial enrollment group into groups by selecting the “Change Groups” link.

How to Enroll Family Members in Different QHPs (continued)



4. Select the names of the family member(s) who want to select a different QHP.
5. Select “Create a New Group” and then select the “Submit” button.

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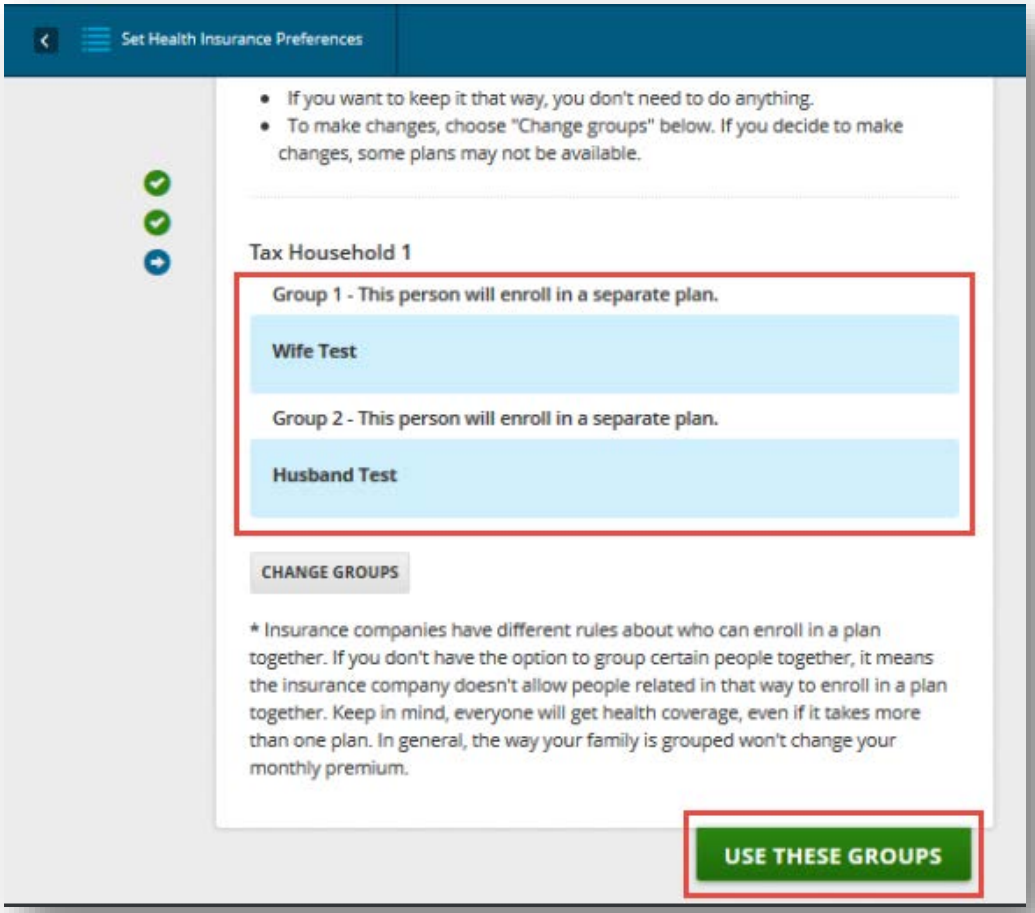
How to Enroll Family Members in Different QHPs (continued)



6. Proceed to Plan Compare by selecting the “Use these Groups” button.

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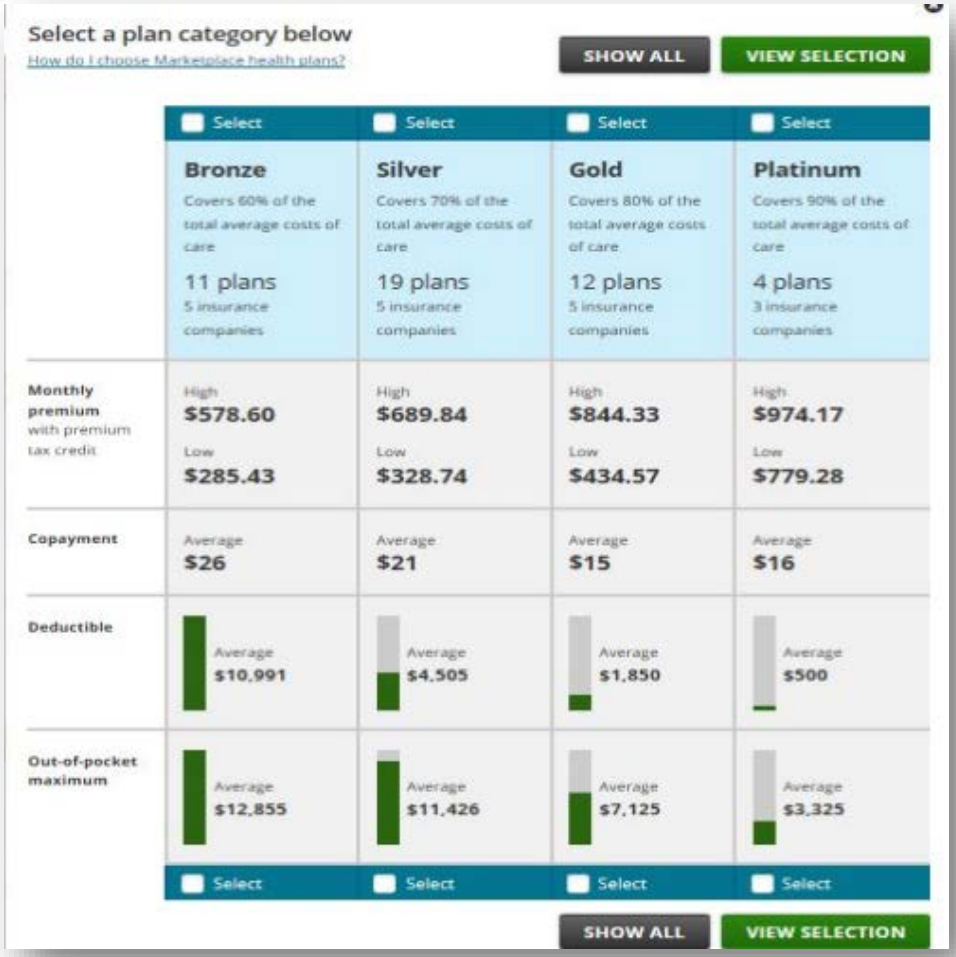
How to Enroll Family Members in Different QHPs (continued)



7. Working through the Plan Compare process, help the consumer evaluate alternatives and select a QHP for the member(s) of the first group, then repeat for member(s) of the second (and, as applicable, successive) group(s).
8. Select separate dental coverage for each group, if desired (optional; if no separate dental plan is desired, the consumer can skip directly to the "Review and Confirm" task).
9. Review and confirm QHP selections.

Note: If the consumer forms an enrollment group that is not supported by any QHP in the service area, an error will display when the consumer tries to move forward to view available plans.

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PTC and APTC in Complex Scenarios

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Refresher: PTC and APTC Definitions

- PTC helps eligible consumers afford coverage purchased through the FFMs.
  - Eligibility is based on household income (generally 100% to 400% of the federal poverty level [FPL]) and family size.
- PTC can be used right away to lower monthly premium costs in the form of APTC, or can be claimed by the consumer at the end of the year with federal income tax filing.
  - Consumers can choose how much APTC to apply to their premiums each month, up to a maximum amount.

Refresher: Reconciliation Definition

- Consumers must reconcile APTC as part of the federal income tax filing process.
- Consumers who receive APTC must file federal income taxes (jointly if married, although there are some exceptions to the joint filing requirement, including for victims of domestic abuse and spousal abandonment or individuals who are married and planning to file as head of household).
- PTC can be claimed during the tax filing process, even if consumers did not apply for financial assistance when they submitted their Marketplace applications.

Reconciliation Process

1. Marketplace Eligibility & Enrollment Process: CMS oversees the enrollment of eligible consumers into QHPs through the Marketplace, which pays APTC to QHP issuers on consumers' behalf.

2. CMS Form 1095-A Process: At the end of the plan year, CMS provides information via Form 1095-A to consumers and the Internal Revenue Service (IRS) about consumers' enrollment and APTC.

3. Federal Income Tax Filing Process: Consumers use the information provided on Form 1095-A to file their federal income tax returns with the IRS, reconcile APTC, and/or claim PTC .

4. APTC Reconciliation Process: The IRS processes consumers' claims for PTC via the federal income tax process.

PTC and APTC with Multiple Enrollment Groups

- If members of a single tax household are enrolled in more than one (1) QHP, the FFMs allocate the APTC for which the household qualifies to each QHP per 45 C.F.R. § 155.340 (f).
  - The consumer still decides how much of the household's PTC to claim as APTC for premium discounts.
  - APTC is allocated among the QHPs (including any stand-alone dental plans, if selected) based on the number of enrollees covered by each QHP, weighted by the age of the enrollees.



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Coverage Options

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Medicare and Coverage through the FFMs

- Consumers may maintain SHOP Marketplace coverage and Medicare simultaneously.
- Consistent with the longstanding prohibitions on the sale and issuance of duplicate coverage to Medicare beneficiaries (section 1882(d) of the Social Security Act), it is illegal to knowingly sell or issue an Individual Marketplace QHP (or an individual market policy outside the Marketplace) to a Medicare beneficiary. However, if a consumer has coverage through an Individual Marketplace QHP and later enrolls in Medicare, he or she can keep the QHP because the consumer was not a Medicare beneficiary when the QHP was purchased.
- A consumer who is enrolled in Medicare Part A is not eligible for APTC or cost-sharing reductions (CSR) through the Marketplace. A consumer who is enrolled in both Medicare Part A and an Individual Marketplace QHP should end Marketplace coverage with financial assistance.
- For more information on dual Medicare/FFM coverage, see www.healthcare.gov/medicare/changing-from-marketplace-to-medicare/ and the "Frequently Asked Questions Regarding Medicare and the Marketplace."

Medicaid/CHIP Coverage

- Consumers can apply for and enroll in Medicaid or CHIP any time of year.
  - If a consumer qualifies for one of the programs, his or her coverage can begin immediately.
  - Medicaid coverage will be retroactive to the date of application and may start retroactively for up to three (3) months prior to the month of application, if the consumer would have been eligible during the retroactive period had he or she applied then.
- Consumers interested in more information about Medicaid or CHIP can contact the appropriate Medicaid or CHIP state agency or visit: www.medicaid.gov/medicaid-chip-program-information/by-state/by-state.html
- Remind consumers that, even if they did not qualify for Medicaid or CHIP when they enrolled in Individual Marketplace plans, they may qualify later if they experience changes in circumstances, like loss of income, the addition of family members (e.g., birth, adoption), or change in immigration status.
- Note: Some consumers may lose eligibility for Medicaid and gain eligibility to enroll in Individual Marketplace QHPs outside the Open Enrollment period.

What to Do When Consumers Have New Medicaid or CHIP Eligibility

- After being determined eligible for Medicaid or CHIP that qualifies as minimum essential coverage (MEC), consumers who receive APTC should take steps to end their QHP coverage with APTC and CSR.
  - Consumers in determination states should end their QHP coverage with APTC and CSR immediately after being determined eligible for Medicaid or CHIP.
  - Consumers in assessment states should wait until being determined eligible for Medicaid or CHIP by the state Medicaid or CHIP agency before ending their QHP coverage with APTC and CSR.
- For definitions of "determination state" and "assessment state," refer to Slide 62 of the "Plan Year 2016 Open Enrollment in the Federally-facilitated Marketplaces (FFMs) Overview and Kick-off for Agents and Brokers" webinar.

What to Do When Consumers Have New Medicaid or CHIP Eligibility (continued)

- Inform consumers who qualify for Medicaid/CHIP that they should consider their individual circumstances and health care needs before deciding which coverage is best for them.
  - While consumers who are eligible for Medicaid or CHIP may enroll in a QHP available through the FFMs, it is likely not in their financial best interests to do so since they would not be eligible to receive either APTC or CSR and would be required to pay full premiums.
- Consumers who are assessed or determined as eligible for Medicaid or CHIP, but who want to enroll in a QHP, should submit a new application and indicate they do not want help paying for coverage.

Helping Consumers with Medicaid or CHIP Eligibility Cancel Coverage

- Alert consumers that it is important they follow the steps outlined in HealthCare.gov guidance to be sure they cancel Individual Marketplace coverage for ONLY the members of their households who have or are eligible for other coverage: www.healthcare.gov/reporting-changes/cancel-plan/
  - These steps are also outlined on slides 75 through 88 of the "Plan Year 2016 Open Enrollment in the Federally-facilitated Marketplaces (FFMs) Overview and Kick-off for Agents and Brokers" webinar.
- Some limited types of Medicaid coverage pay only for family planning, emergency treatment, tuberculosis services, or outpatient hospital services.
  - Consumers who are only eligible for these limited types of Medicaid coverage can apply for more comprehensive coverage through the FFMs and may also qualify for financial assistance paying for their coverage.

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Scenarios

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Scenario 1: The Shah Household — Should Adult Children Be Part of the Same Tax Household

- Meet the members of the Shah household:
  - Neil is 52 years old and works as an independent engineering consultant. He worked at a large engineering firm that offered employer-sponsored health coverage, but he recently quit. He wants to enroll his entire family into a QHP. Neil expects to earn $86,000 in 2017.
  - Priya is 49 years old and does not work outside the home.
  - Annika is 23 years old and lives at home with her parents. She has a paid internship at a company that does not offer health insurance to interns. Annika will earn around $6,000 in 2017. Annika's parents claim her as a tax dependent.
  - Devin is 19 years old and is a full-time student at an out-of-state college. Devin's parents claim him as a tax dependent.
- How should the Shah household apply for a Marketplace plan that will cover all members of the family?

Scenario 1: The Shah Household — Should Adult Children Be Part of the Same Tax Household (continued)

- The Shah household can file one Marketplace application.
  - Both Annika and Devin should be listed as tax dependents, since they will be claimed on their parents' 2017 federal income tax return.
  - Because Devin attends college out-of-state, his college address may be provided, but he will only be able to enroll through the Marketplace if he lists his parents' address as his permanent address and he is their tax dependent.
- The Shahs should enter all income for the parents and children on the Marketplace application. The Marketplace will determine whether income from the tax dependent children counts toward the household income.
- Members of the Shah household may be eligible to receive APTC or CSR due to its income and household size, among other factors.

Scenario 2: The Shah Family — Enrolling Family Members in Different QHPs

- You have already met the members of the Shah household.
- Neil and Priya are working with their agent to evaluate their health coverage alternatives.
- Because all members of the Shah household are part of a single tax household, does that mean they must all enroll in the same QHP?

Scenario 2: The Shah Family — Enrolling Family Members in Different QHPs (continued)

- Whether or not they are part of the same tax household or multiple tax households, members of the Shah family can enroll in one QHP or multiple QHPs, depending on their individual health care needs or preferences.
- If they select a single family plan, the Shah household submits one (1) application, creates one (1) enrollment group, and enrolls in the same health plan.
- They will pay one (1) monthly premium. They will have to meet one annual family deductible, and all four (4) members' utilization of health services will count toward the annual out-of-pocket maximum.

Scenario 2: The Shah Family — Enrolling Family Members in Different QHPs (continued)

- If it suits their needs better, the Shah household can create different enrollment groups to enroll in more than one (1) health plan. For example,
  - Priya and Annika may want to enroll in the same plan because they have the same endocrinologist, who is only in one (1) plan's network.
  - Neil and Devin do not have specific health care needs and may enroll in a different plan together.
- In this example, the Shah household will create two (2) enrollment groups: Priya and Annika will be in one (1) group, while Neil and Devin are in the other enrollment group.
- The plan that Priya and Annika enroll in will have a shared deductible and out-of-pocket maximum, while Neil and Devin's plan will have a separate deductible and out-of-pocket maximum. The Shah household will make separate monthly premium payments to each issuer.
- If members of the Shah household are eligible for APTC, they will decide as a family how much of their maximum amount they apply each month to reduce the premium; however, they do not allocate how much goes to each plan. This amount is determined by the Marketplace and the insurance issuers.

Scenario 2: The Shah Family — Enrolling Family Members in Different QHPs (continued)

- The Shahs have a third option: to enroll in separate plans for each household member.
  - In this scenario, the Shah household would make premium payments to each issuer and would have four separate deductibles, out-of-pocket maximums, and other insurance costs.
  - The Shah household may be subject to higher out-of-pocket spending than if they enrolled in one (1) plan.
- Due to operational limitations, family members cannot enroll in different plans if one (1) of the plans being selected is a catastrophic plan.

Scenario 3: Wally: Transitioning from Medicaid Coverage to Other Health Coverage

- Wally, a 59-year-old, single man, worked as a part-time grocery store cashier. He lives in a state that expanded Medicaid coverage to single, non-disabled adults with annual incomes up to 138% of the FPL.
- Wally was earning $14,124 a year when he applied for coverage through the Individual Marketplace, and was determined to be eligible for Medicaid. He has been enrolled in Medicaid coverage for almost a year now.
- Wally was recently promoted to store manager and predicts he will earn $38,600 in 2017 (approximately $3,208 per month); at this higher income level, Wally is no longer eligible for Medicaid.
- Wally is interested in learning more about his new health insurance options. He has an offer of employer-sponsored coverage through his employer, but he also wants to know more about Marketplace coverage.
- What health coverage options are available to Wally to avoid a gap in coverage?
  - Marketplace QHP
  - Employer-sponsored coverage

Scenario 3: Wally: Transitioning from Medicaid Coverage to Other Health Coverage (continued)

- Since Wally also has an offer of employer-sponsored coverage, he will not be eligible for financial assistance through the Marketplace unless his employer's offer of coverage is either unaffordable or does not meet minimum value standards.
  - If Wally's employer-sponsored health coverage is affordable and meets minimum value standards, it is important to help him explore whether or not selecting a Marketplace plan without financial assistance is a good option.
  - If he decides to select a Marketplace plan, Wally should make sure to consider benefits, costs, and a plan that includes his provider(s) in its network.
- Wally may select either option, but should consider the following:
  - He should immediately report his change in income to the state Medicaid agency.
  - If the Medicaid agency determines him no longer eligible for Medicaid, he will receive a notice from the state Medicaid agency and his account will be transferred via secure transaction to the Marketplace.
- Wally will be notified by the Marketplace to go to HealthCare.gov, establish an account, and access his pre-populated application.

Scenario 3: Wally: Transitioning from Medicaid Coverage to Other Health Coverage (continued)

- If Wally decides he wants to enroll in health coverage through the Marketplace, he should complete the application, making any needed updates, including reporting that he has an offer of employer-sponsored coverage, and then continue through plan selection and enrollment, if otherwise eligible.
- Consumers like Wally, who lose MEC, such as most Medicaid coverage, qualify for a 60-day special enrollment period (SEP) to enroll in coverage through the Marketplace outside of the annual Open Enrollment period.
  - This 60-day period begins the day consumers lose MEC.
  - If Wally became ineligible for Medicaid on March 1, but the state Medicaid agency did not terminate his coverage until the end of the month (March 31), his 60-day SEP clock would begin on April 1.

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Additional Resources

https://www.REGTAP.info

For More Information on Webinar Topics

- For information on assisting consumers with ending coverage through the FFMs if they have coverage through a job-based plan, or qualify for Medicaid or CHIP visit: www.healthcare.gov/reporting-changes/cancel-plan/#howto.
  - *Note that the process for canceling coverage through the FFMs differs, depending on what alternative coverage the consumer is selecting and whether the consumer wants to cancel coverage for some or all family members.*
- For information on assisting a consumer in transitioning from Medicaid to a QHP review: https://marketplace.cms.gov/technical-assistance-resources/transitioning-from-medicaid.pdf.
- For information on assisting consumers in multi-tax households in completing the Marketplace application review: https://marketplace.cms.gov/technical-assistance-resources/household-section-of-application.pdf.
- For information on who should be included in a tax household visit: https://www.healthcare.gov/income-and-household-information/household-size/.
- For more information on dual Medicare/FFM coverage, see the "Frequently Asked Questions Regarding Medicare and the Marketplace."

Agent and Broker Resources

The Agents and Brokers Resources webpage is the best place to start for guidance on how agents and brokers operate in the FFMs. It can be accessed at http://go.cms.gov/CCIIOAB and provides links to many useful resources, including:

- *General reference resources and regulatory guidance on the role of agents and brokers in the FFMs*
- *The "Agent and Broker Roadmap to Resources," which provides a quick guide to resources CMS and its federal partners have developed to help agents, brokers, and consumers navigate the FFMs.*
- *Information on how to complete registration and training for the Individual and SHOP Marketplaces*
- *The Agent and Broker Federally-Facilitated Marketplace (FFM) Registration Completion List*
- *"News for Agents and Brokers" newsletter editions from the previous 6 months*

Agent and Broker Resources (continued)

- CMS presents periodic webinars on topics of interest to agents and brokers assisting consumers in the FFMs.
- Webinars are announced via emails to registered agents and brokers, on the Agents and Brokers Resources webpage, and in the monthly "News for Agents and Brokers" newsletter.
- Slides for past webinars are posted on the Agents and Brokers Resources webpage, including:
  - *"Health Insurance Marketplace 2017 Open Enrollment: Operational Updates and Announcements for Agents and Brokers Participating in the Marketplace" which provides key updates and announcements related to assisting consumers during plan year 2017 Open Enrollment.*
  - *"Helping Consumers Resolve Data Matching Issues (DMIs)" which Provides information for helping consumers prevent and resolve DMIs.*
  - *"Plan Year 2017 FFM Registration and Refresher Training for Agents and Brokers Returning to the FFMs Webinar Slides" and "Plan Year 2017 FFM Registration and Training for Agents and Brokers New to the FFMs Webinar Slides" which walk new and returning agents and brokers through the plan year 2017 registration process.*

Agent and Broker Resources (continued)


Agents & Brokers: Selling in the Marketplace

HealthCare.gov

Marketplace News for Agents & Brokers

Open Enrollment Ending Soon

Open Enrollment ends on January 31, which means you have two weeks left to help your clients enroll. Enrollments completed between January 16 and January 31 will result in coverage that starts on March 1.

Your hard work during Open Enrollment helps millions of consumers find the coverage they need. Check out their stories to see why #CoverageMatters to them – and help your clients enroll by January 31!

New Year, New Agents and Brokers Resources Webpage!

The Agents and Brokers Resources webpage has been redesigned to provide you with easier access to the

IN THIS ISSUE

- Open Enrollment Ending Soon
- New Year, New Agents and Brokers Resources Webpage!
- Confirm Your Eligibility for Compensation for Plan Year 2017 Enrollments
- Open Enrollment Tip: Search to Avoid Duplicate Consumer Applications
- Help Consumers Determine Eligibility for the Premium Tax Credit
- New Payment Notice Improves Stability in the Marketplace
- CMS Issues New Agent/Broker Commission Guidance
- SHOP Marketplace Corner

- Registered agents and brokers also receive:
  - *Emails with current information about the FFM agent and broker program, and about the FFMs.*
  - *The "News for Agents and Brokers" monthly newsletter*
  - *For agents and brokers who not receive the newsletter via email, CMS posts it on the Agents and Brokers Resources webpage at: http://go.cms.gov/CCIIOAB.*
- Follow CMS' Twitter feed:
  - *By following CMS' twitter handles, @HealthCareGov and @CMSGov*
  - *Search by the agent and broker program hashtag #MktplaceABs*

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Questions?

For questions about Agent/Broker participation in the FFMs:
FFMProducer-AssisterHelpDesk@cms.hhs.gov

For questions on the MLMS: MLMSHelpDesk@CMS.HHS.gov

For questions when working with consumers applying and enrolling:
1-800-318-2596 (TTY: 1-855-889-4325) available 7 days a week, 24 hours a day

For questions unrelated to application and enrollment:
1-855-CMS-1515 (855-267-1515) and select option "1"

For questions about the SHOP Marketplace:
1-800-706-7893 (TTY: 711) available M-F 9:00 AM-7:00 PM ET

For questions regarding a CMS-approved vendor's training, agents and brokers should contact the respective vendor's help desk. Contact information can be found on the Agents and Brokers Resources webpage at: http://go.cms.gov/CCIIOAB.

For questions/comments about web-broker participation in the FFMs:
WebBroker@cms.hhs.gov