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Bulletin 16: Guidance for Issuers on 2016 Reenrollment in the Federally-facilitated Marketplace (FFM)

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I. Introduction

This bulletin provides guidance on the reenrollment process for 2016 Health Insurance Marketplace (Marketplace) coverage for issuers in Federally-facilitated Marketplaces (FFMs). Specifically, this bulletin will replace "Bulletin #14: Guidance for Issuers on 2015 Reenrollment in the FFM," released on December 1, 2014,[1] and highlight changes in the 2016 reenrollment process for FFMs. While much of the redetermination and reenrollment process remains unchanged for the Annual Open Enrollment Period (OEP) for 2016, important changes include: (1) establishing eligibility for 2016 advance payments of the premium tax credit (APTC) and income-based cost-sharing reductions (CSRs) using the most recent family income data available and updated 2016 Qualified Health Plan (QHP) prices (in contrast to the 2015 plan year, when 2014 APTC and CSRs were generally carried forward); (2) discontinuing APTC and income-based CSRs for enrollees who do not comply with the requirement to file a tax return and reconcile APTC for tax year 2014; (3) sending the first group of passive reenrollment transactions to issuers before the start of 2016 OEP; and (4) maintaining 2015 enrollees' effectuation status in 2016 passive reenrollment transactions.

Each year, Marketplaces must redetermine the eligibility of consumers enrolled in QHP coverage through the Marketplace.[2] Consumers who are determined eligible to enroll through a Marketplace in a QHP in the individual market are "qualified individuals," or QIs.[3] According to 45 CFR 155.335(j), a Marketplace generally must ensure that QHP coverage through the Marketplace is continued for QIs who are eligible for reenrollment and whose issuer of current year coverage will be offering a QHP through the Marketplace for the following year.

"Reenrollment" is the term that describes the process by which an FFM ensures that an issuer continues an enrollee's QHP coverage from one plan year to the next plan year. Enrollees may be reenrolled into a plan under the same product or a different product, depending on the circumstances, in accordance with the hierarchy provided for in the regulation at 45 CFR 155.335(j). "Renewal" is the term generally used to describe an enrollee's reenrollment into the same product.

There are two types of reenrollment: active and passive. An active reenrollment is a reenrollment that is initiated by an enrollee who returns to an FFM during the OEP and submits an application and selects a plan for the next plan year. A passive reenrollment, also called an "auto-reenrollment," "Batch Auto-Reenrollment," or "BAR," is a reenrollment initiated by an FFM to continue QHP coverage through an FFM for current enrollees who do not return to an FFM to submit an application and select a plan by December 15, 2015.

[1] Available at http://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/annual-redeterminations-for-coverage-42215.pdf.
[2] See 45 CFR 155.335(a).
[3] See 45 CFR 155.20.

II. Redetermining Eligibility for Marketplace Coverage

On April 22, 2015, the Centers for Medicare & Medicaid Services (CMS) released "Guidance on Annual Eligibility Redeterminations and Re-enrollments for Marketplace Coverage for 2016" (the "April 22 Guidance") [4], which explains FFM procedures for redetermining eligibility for the 2016 plan year. For an enrollee who does not contact a Marketplace to obtain an updated eligibility determination and select a QHP by the last day on which a plan selection may be made for coverage effective January 1, 2016, in accordance with the effective dates specified at 45 CFR 155.410(f), the Marketplace will generally establish 2016 eligibility based on the most recent income data available, together with updated Federal Poverty Level (FPL) tables and benchmark plan premium information to update eligibility for APTC and CSRs.

The April 22 Guidance also describes the Marketplace Open Enrollment Notice (MOEN) and the different tailored messages it will contain. The Marketplace will send MOENs to current 2015 enrollees who do not have a future termination transaction on file.[5] This notice will contain certain basic information, including: a description of the annual redetermination and renewal process; the requirement to report changes affecting eligibility and the channels for reporting such changes; and the last day a plan selection may be made for coverage starting January 1. For enrollees who authorized the Marketplace to request updated tax return information for use in the annual redetermination process and who are receiving APTC or income-based CSRs, this notice will have information on the process that FFMs will use to establish APTC and CSR eligibility for 2016 for enrollees who do not actively reenroll.

MOENs will have special messaging notifying certain enrollees that they will lose financial assistance at the end of the 2015 plan year unless they take the steps described in their MOEN because they fall into one of the three groups identified in the April 22, 2015, Guidance: (1) the Opt-Out Group, (2) the Special Notice Group, or (3) the Failure to Reconcile Group.[6] The Opt-Out Group consists of QIs enrolled in a QHP with APTC or income-based CSRs who did not authorize the Marketplace to request updated tax return information for use in the annual redetermination process. The Special Notice Group consists of QIs enrolled in a QHP with APTC or income-based CSRs who have updated tax return information that, when evaluated together with the family size used for the enrollees' most recent eligibility determination and updated federal poverty level (FPL) tables, reflects household income that is above 500% of the FPL. Both the Opt-Out Group and the Special Notice Group were part of the FFM redetermination procedures for coverage year 2015. The Failure to Reconcile Group consists of QIs enrolled in a QHP with APTC or income-based CSRs for whom the Internal Revenue Service (IRS) has informed the Marketplace that APTC was provided for the listed tax filer(s) for 2014, and the tax filer(s) did not comply with the tax filing and APTC reconciliation requirement under 45 CFR 155.305(f)(4). The Failure to Reconcile Group is discussed in greater detail below.

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[4] Available at http://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/annual-redeterminations-for-coverage-42215.pdf.

[5] For example, no passive reenrollment will be sent to establish 2016 coverage for an enrollment that submitted a voluntary termination ending coverage on or before December 31, 2015.

[6] In the April 22 Guidance, the "Failure to Reconcile" Group is referred to as the "Did Not Reconcile Group." The two terms have the same meaning.

A. Failure to Reconcile Group

A new feature of the eligibility redetermination process for current enrollees is that, for the 2016 plan year, the Marketplace may not determine tax filers eligible for APTC or income-based CSRs if APTC was previously provided for the tax filer but the tax filer did not comply with the requirements described in 45 CFR 155.305(f)(4) to file an income tax return for the year that APTC was provided and reconcile APTC.

MOENs for enrollees in the Failure to Reconcile Group, Opt-Out Group, and Special Notice Group will explain that if a tax filer has not complied with the requirement to file a return and reconcile APTC, he or she needs to file a return and then contact the Marketplace to obtain an updated eligibility determination and select a QHP by December 15, 2015. If the tax filer does not complete this process, then the Marketplace will discontinue eligibility for APTC and income-based CSRs at the end of 2015, and reenroll the affected enrollees in a QHP through the Marketplace for 2016 without APTC and income-based CSRs, to the extent that the enrollee can be reenrolled in accordance with 45 CFR 155.335(j).

B. Outreach Files

Issuers may choose to conduct optional outreach to 2015 enrollees who are part of the Opt-Out, Special Notice, or Failure to Reconcile groups and thus will have APTC and income-based CSRs discontinued at the end of 2015 unless they take the steps described in their MOEN. To assist issuers that choose to conduct outreach to these enrollees, FFMs will send FFM issuers an outreach file containing a list of subscribers who are in the Opt-Out, Special Notice, or Failure to Reconcile groups.

Since the Failure to Reconcile group did not exist for coverage year 2015, the outreach files distributed to issuers for the 2016 OEP will be the first that include subscribers in that group. FFMs will send one outreach file for each Trading Partner Identification Number (TPID)[7] with a combined list of subscribers who fall into the Opt-Out, Special Notice, or Failure to Reconcile groups. The outreach file will not identify the group into which each subscriber falls.

The file layout for the outreach file is available on CMSzONE here: https://zone.cms.gov/document/inconsistency-data-file-layout. (Registration and login are required.)

1. Suggested Talking Points for Issuers Conducting Optional Outreach to Consumers Listed in the Outreach File

Issuers that choose to conduct optional outreach to consumers identified in the outreach files may use the suggested talking points below as a guide.

[7] Trading Partner is defined in Appendix B of the 2015 Web Broker Exchange (WBE) agreement as "an entity that exchanges enrollment or financial management data with a Hub contractor."

(1) You will need to take additional actions to continue to receive advance payments of the premium tax credits. Depending on your personal circumstances, you may also need to file a 2014 tax return and reconcile past tax credits, and then indicate that you did so in your Marketplace application.

(2) **If consumer did not file Form 8962:** If advance payments of the premium tax credit were made to your insurance company for 2014 coverage, but a 2014 tax return with "Form 8962" wasn't filed for this household:
   a. You should file a tax return as soon as possible, including a completed IRS Form 8962. You should have received a Form 1095-A – Health Insurance Marketplace Statement – to help fill out Form 8962 and file your 2014 federal income tax return.
      i. If you don't have a copy of Form 1095-A, visit HealthCare.gov and log into your Marketplace account, or call the Marketplace Call Center at 1-800-318-2596 / TTY: 1-855-889-4325.
      ii. If you have questions about your household's tax filing status for 2014, use Interactive Tax Assistant (http://www.irs.gov/uac/Interactive-Tax-Assistant-(ITA)-1) or call IRS Telephone Assistance for Individuals at 1-800-829-1040.
      iii. For more information on filing a 2014 federal tax return using "Form 8962," visit HealthCare.gov/taxes/ or IRS.gov/aca.
   b. In many cases, filing your tax return electronically is free, can help avoid mistakes, and will help you find credits and deductions that may be available to you.
      i. For more information about Free File and e-file, please visit IRS.gov and search for "free file" or "e-file."
   c. After you file a 2014 tax return using Form 8962, visit HealthCare.gov starting on November 1, 2015, and log into your Marketplace account to update your 2016 Marketplace application. If you filed a 2014 tax return using Form 8962, be sure to check the box telling the Marketplace you reconciled your premium tax credits.

(3) **If consumer filed Form 8962:** If a tax return including Form 8962 has been filed for your household OR if no advance payments of the premium tax credit were made to help pay your Marketplace premiums in 2014:
   a. Update your Marketplace application by December 15, 2015.
      i. It's important for you to come to the Marketplace and provide updated information during Open Enrollment. If you don't, any help with costs you currently get will stop on December 31, 2015, and you'll be responsible for the full upfront costs of your Marketplace plan and covered services.
      ii. If you chose not to allow the Marketplace to use information from tax returns to help renew eligibility, update your application by December 15, 2015, to avoid a gap in your help with costs of Marketplace coverage and for covered services (if applicable). You can allow the Marketplace to use information from tax returns for future renewals by clicking a statement to show your agreement when you update your application.
      iii. If you allowed the Marketplace to use information from tax returns to help renew eligibility, and you filed a 2014 tax return, you still need to take action now. Based on the most recent income data sources we have for your household and the information you provided on your Marketplace application, your household income may be too high to be eligible for help with costs in

2016. To see if you're eligible to continue getting help with costs, update your Marketplace application information by December 15, 2015.

iv. Even if you don't get advance payments of the premium tax credit made to your health insurance company to reduce your monthly premium costs next year, you may still be eligible for a premium tax credit for your 2016 coverage when you file your 2016 tax return.

III. Reenrollment of Qualified Individuals

FFMs aim to reenroll all eligible current year enrollees for the next plan year. Reenrollment for the next plan year can be either "active" or "passive." Each type of reenrollment is discussed in detail below.

A. Passive Reenrollment

"Passive" reenrollment, also called auto-reenrollment, is the process that FFMs use to reenroll current enrollees who do not return to the Marketplace to update their eligibility information and make an active plan selection in time for January 1 coverage. Issuers indicate the next year's auto-reenrollment plan to the Marketplace on the Plan ID Crosswalk Template in current year Plan ID/service area combinations based on the hierarchy set forth in 45 CFR 155.335(j). The Plan ID Crosswalk is submitted by the issuer with other plan materials during the QHP certification process. The Marketplace uses the Plan ID Crosswalk Template to conduct the passive reenrollments.

Individuals will be passively enrolled if the following criteria are met:

- The enrollee has not become ineligible for reenrollment through FFMs;
- The enrollee did not make an active QHP selection for coverage effective January 1, 2016;
- The enrollee's QHP issuer has indicated a 2016 renewal or reenrollment plan in the Plan ID Crosswalk Template submitted to FFMs (The large majority of current 2015 enrollees are eligible for passive reenrollment since their issuers have indicated a 2015 renewal or reenrollment plan);
- The enrollee's policy is in current (not cancelled or terminated) status at the time that FFMs send passive reenrollments and does not have a future termination date in 2015; and
- Other circumstances do not prevent passive reenrollment. (See discussion below.)

B. Active Reenrollment

2015 enrollees may actively enroll in 2016 coverage through FFMs during the 2016 OEP. Under guaranteed availability provisions (see 45 CFR 147.104), even 2015 enrollees whose

Marketplace coverage ended prior to December 31, 2015, including individuals whose coverage ended for non-payment of premiums, may actively select 2016 coverage during the 2016 OEP.[8]

An "active" reenrollment is initiated by an enrollee returning to the Marketplace between the beginning of the OEP and December 15, 2015, to submit an application and plan selection for January 1, 2016, coverage. It is important that current FFM enrollees who are seeking to actively reenroll access their HealthCare.gov account to update their eligibility information and make plan selections. This will provide enrollees with a pre-populated application as well as assist the Marketplace and issuers in maintaining the continuity of the enrollment.[9] Current year enrollees may also contact the Marketplace Call Center at 1-800-318-2596 / TTY: 1-855-889-4325 to actively update their eligibility and reenroll. In addition, current year enrollees may enroll via Direct Enrollment (see Section VII).

C. Circumstances Preventing Passive Reenrollment

Not every current year enrollee who would otherwise be eligible for passive reenrollment will be passively reenrolled. Some may no longer be enrolled because of an expired citizenship/immigration data-matching issue late in the current plan year. Others may be enrolled in current coverage that is being discontinued by the issuer. Still others may not be passively reenrolled because of unexpected anomalies with their FFM application. This last group may be eligible for a Special Enrollment Period (SEP) based on Marketplace error.[10] FFMs will contact this group and advise them to return to HealthCare.gov or contact the Marketplace Call Center. (See Section VIII, Consumer Notices.)

D. Passive Reenrollment Schedule

FFMs expect to send passive reenrollment transactions to issuers in two waves, one beginning on or around October 15, 2015, for the majority of eligible enrollees; and the second wave beginning around December 16, 2015.

Because most passive reenrollment transactions will be sent in the first wave, issuers will receive them before the start of the OEP. This will provide issuers with more time to prepare issuer reenrollment notices, which will include information about the APTC that will be provided if the consumer is passively reenrolled. Enrollees who visit HealthCare.gov and check their HealthCare.gov account during the OEP will not see any sign of their passive reenrollment until December 16, 2015. This is intentional, to ensure that enrollees are not confused about whether they still have time to update their information and select a plan for coverage effective January 1, 2016. Accordingly, prior to the January 1 billing cycle, issuers <u>should not inform</u> consumers that

[8] Issuers may apply premium payments for new plan year coverage to previous plan year debt in certain circumstances; see "Revised Bulletin #10 on Grace Periods Related to Terminations for Non-Payment of Premiums and Enrollment through the Federally-facilitated Marketplace across Benefit Years," especially Example 4, available at: https://www.regtap.info/uploads/library/REVISED_Bulletin10GracePeriods_5CR_091214.pdf.

[9] Tips for enrollees who have trouble logging into their HealthCare.gov account are available at: https://www.healthcare.gov/help/i-am-having-trouble-logging-in-to-my-marketplace-account/.

[10] For example, if an eligible enrollment is not able to be processed through the auto-reenrollment process due to a technical anomaly, the enrollment is likely eligible for a Special Enrollment Period.

they have been reenrolled. However, issuers may respond to consumer questions about information included in the MOEN, renewal notice, or other notices to confirm what the total premium, member responsibility amount, APTC amount, CSR level, and renewal plan is expected to be if the consumer takes no action. Because the premium tax credit is based on the consumer's income and family size reported to the IRS for the plan year, issuers should encourage consumers to return to the Marketplace to update their 2016 application with their latest eligibility information and actively reenroll prior to the January 1 billing cycle.

The second wave of passive reenrollment transactions begins around December 16, 2015. This second wave includes newer enrollees who began Marketplace coverage after the first wave of reenrollment transactions was executed, as well as other groups of enrollees who were held from the first wave to allow additional time for them to complete an action that they either started or were instructed to start by FFMs. This includes current year enrollees who had an open data-matching issue at the time of the first wave and subsequently resolved them or had their coverage adjusted by their FFM (including expired income data-matching issues where the passive reenrollment is based on the post-expiration eligibility). It also includes enrollees who had not been passively reenrolled by November 1, 2015, and had actively submitted an eligibility application for next year coverage but had not completed plan selection.

As indicated above, the first wave of passive reenrollments will not include transactions for enrollees with unexpired 90/95-day deadlines, or "clocks," to submit documentation to resolve data-matching issues. This will help to ensure that enrollees whose 90/95-day clocks expire before the second wave of passive reenrollments are able to submit sufficient documentation to verify information on their application. In addition, excluding reenrollments for these enrollees from the first wave of passive reenrollments will allow FFMs to finalize the enrollee's eligibility determination based on information from the consumer's application and any documentation submitted by the consumer. If the enrollee submits sufficient documentation before the end of his or her 90/95-day inconsistency period, the Marketplace will be able to resolve the enrollee prior to the second wave of passive reenrollment. If the consumer fails to submit sufficient documentation, the Marketplace will terminate the enrollee's eligibility for coverage through the Marketplace or adjust the enrollee's APTC and/or income-based CSRs prior to the second wave of passive reenrollment.

Enrollees whose 90/95-day clocks have not yet expired will be passively reenrolled in the second wave of passive reenrollments. Their deadline to submit sufficient documentation to FFMs to verify information on their application will be copied over to their 2016 application such that their deadline for resolution will extend into the next plan year. For example, a new enrollee who enrolls in 2015 coverage during an SEP through the Marketplace for the first time on November 1, 2015, generates an income data-matching issue that expires on January 30, 2016 (i.e., 90 days), and does not submit the requested documentation to resolve his or her data-matching issue before the second wave of passive reenrollments will be passively reenrolled in the second wave of passive reenrollments. The enrollee's passive reenrollment will include an open data-matching issue that expires on January 30, 2016.

IV. Reenrollment Transaction Summary

Active and passive reenrollments are sent as Accredited Standards Committee (ASC) X12 Version 005010A1 Benefit Enrollment and Maintenance (834) transactions, here afterward referenced as an 834. An 834 initial enrollment transaction, which is indicated using the Maintenance Type Code in the INS03 data element with a value of "021-Addition" will be common to both Active and passive reenrollments. The enrollments have different Maintenance Reason Codes (MRC) and Additional Maintenance Reason Codes (AMRC) that indicate whether an enrollment is active or passive, and effectuated or in initial status. The origin type indicates the enrollment channel. More detail is below.

A. Active Reenrollments

Active reenrollments for next year's coverage are sent to issuers in daily batches as 834 initial and effectuated enrollments with the Maintenance Reason Code/MRC (INS04) of EC. Active reenrollment 834 transactions sent to issuers also include plan selection changes made within the next plan year, such as when an enrollee replaces 2016 Plan A with 2016 Plan B during the OEP. Active plan selection changes are sent as a pairing of two transactions. First, a cancel or termination transaction, where only the subscriber information appears and the INSO3 carries a value of "24- Cancel/Termination," is sent to the losing plan, and then a second transaction is sent as an initial enrollment transaction to the gaining plan (plan selection changes are not sent as a Change in Circumstance (CIC)). Active reenrollments and plan selection changes are sent with the Electronic File Transfer (EFT) Functional Code of I834. Active reenrollments that are already effectuated will have an AMRC of "Active Reenroll," while active reenrollments in initial status will have an AMRC of "Active Reenroll Initial." The proportion of 2016 active reenrollments is expected to be low, since most enrollees will be passively reenrolled before the OEP begins November 1 (enrollees who have already been passively reenrolled and return to actively update their 2016 eligibility and enrollment will have the updated enrollments sent as a CiCs; see Section IV.G. on "Life Changes During Open Enrollment" for more information).

B. Passive Reenrollments

Passive reenrollments are initial enrollment transactions with a MRC (INS04) of 41 "Re-enrollment." All passive reenrollments have an effective date of January 1, and are sent with the EFT Functional Code of I834AR. Effectuated passive reenrollments will have an AMRC of "Passive." Passive reenrollments sent in initial status will have AMRC of "Passive Initial" if the current year plan was not yet effectuated, or "Passive New Subscriber" if the passive reenrollment is a current year dependent enrollee who is a subscriber in the next year (such as in an age-off scenario). In a "Passive New Subscriber" scenario, the issuer should not effectuate coverage if the new subscriber fails to make the first month's payment.

The Marketplace will send cancellations, or terminations, as applicable, to the issuer for the passive reenrollments of enrollees who later complete an active plan selection; an initial enrollment will be sent to the issuer of the plan actively selected by the consumer, which will include eligibility updates, if applicable. Issuers that receive a cancellation of the passive reenrollment should not renew coverage based on the passive reenrollment; if the enrollee has

actively renewed coverage in the same plan, an active reenrollment transaction will be sent. In addition, issuers that receive a cancelled passive reenrollment should not initiate renewal in advance of an FFM passive or active reenrollment (that is, do not renew under the process described in CMS Bulletin 14, Section V.D.[11]). For enrollees who have been passively reenrolled but then make a plan selection change after December 15, 2015, their FFM will terminate their passive reenrollment effective the day before the actively selected plan becomes effective. In no case does a plan selection for the next plan year send a termination with an end date in the current plan year. For more detail, see "Life Changes" and "Plan Selection Changes" during Open Enrollment elsewhere in this bulletin.

Table 1: Reenrollment Transaction Illustration

Scenario	Maintenance Reason Code (Sent Received)	Origin Type	AMRC	Effectuation Confirm?	EFT [12] Functional Code
Active reenrollments of effectuated policies (same subscriber)	Sent by FFM: EC Returned to FFM by Issuer: N/A	01, 02, etc.	"Active Reenroll"	No	I834
Active reenrollments of initial, uneffectuated policies (same subscriber)	Sent by FFM: EC Returned to FFM by Issuer: 28	01, 02, etc.	"Active Reenroll Initial"	Yes**	I834
Active reenrollments with new subscribers* OR New active enrollments (not reenrollments) *treated the same as a brand new enrollment	Sent by FFM: EC Returned to FFM by Issuer: 28	01, 02, etc.	N/A	Yes	I834
Passive reenrollments of effectuated policies	Sent by FFM: 41 Returned to FFM by Issuer: N/A	11 (Auto-reenroll)	"Passive"	No	I834AR
Passive reenrollments of in-flight initial policies (2015 policy still in initial status in FFM when auto-reenrolled for 2016)	Sent by FFM:41 Returned to FFM by Issuer: 28	11 (Auto-reenroll)	"Passive Initial"	Yes**	I834AR
Passive reenrollments with new subscribers (due to regrouping, e.g. Age-offs)	Sent by FFM:41 Returned to FFM by Issuer: 28	11 (Auto-reenroll)	"Passive New Subscriber"	Yes	I834AR

** Once FFMs receive the current year effectuation, they will carry it forward to the next plan year if applicable.

[11] https://www.regtap.info/uploads/library/Bulletin14_Reenrollment_120114_V1_5CR_120114.pdf
[12] For EFT naming convention, see https://zone.cms.gov/document/eft-file-naming-conventions-1

C. Identifiers on Reenrollment Transactions

- FFM-assigned Subscriber ID and Member ID, also known as Exchange Assigned Subscriber ID and Exchange Assigned Member ID, remain the same for enrollees choosing the same issuer (i.e., 5-digit HIOS ID) for the next plan year.
- FFM policy numbers are new for all next year plan selections, whether active or passive.
- FFMs will not send issuer-assigned identifiers on reenrollments.
- An Agent/Broker (A/B) National Producer Number (NPN), if recorded on the current plan year enrollment, will be sent on passive reenrollments. For an active reenrollment, the NPN from the current year will be pre-populated on the next year application, but may be removed or edited by the applicant NPN and other assister information can be recorded on Plan Compare, not just the application. However, if an NPN is entered on Plan Compare during the plan selection process, that NPN will supersede any NPN that was entered in the eligibility application. The table below illustrates the rules governing the sending of NPNs.
- Information for Assisters who are not Agents/Brokers will not be sent on passive reenrollments.
- Assister information for all types (Navigators, Agents/Brokers, Certified Application Counselors, etc.) will be sent on active reenrollments according to existing procedures.

Table 2: National Producer Number (NPN) Rules Illustrated

Scenarios involving NPN	NPN on current year enrollment	NPN sent on 1000c loop on next year 834 Enrollment transaction
Auto-reenrolled consumer ("passive")	123	123
Active reenrollment by returning consumer who updates the next year application , is able to view and edit the current year agent/broker (A/B), but the consumer doesn't change or remove the A/B associated with her application	456	456 (The A/B info from the current year application will be pre-populated on the next year application)
Active reenrollment by returning consumer who removes the A/B association on their next year application	789	None. A consumer can remove the A/B info on the next year application.

D. Switch File

FFMs do not send the 2015 issuer an 834 termination transaction effective December 31, 2015, based on 2016 plan year selections. Instead, the 2015 issuer will know to non-renew a subscriber if it receives a cancellation of the 2016 passive reenrollment (triggered by an enrollee's active plan selection or voluntary cancellation), or if the 2015 subscriber appears on the Centers for

Medicare & Medicaid Services (CMS) "Switch File." If a passive enrollment transaction is cancelled but the issuer subsequently receives an active plan selection for the same plan for the same enrollee, the issuer should accept the active enrollment.

The Switch File is an electronic file delivered separately for each issuer offering plans through FFMs to identify the issuer's current subscribers who have actively reenrolled in ("switched") next year coverage offered by a different issuer. This file will be generated daily beginning early in November 2015 and concluding around December 22, 2015, and delivered to the respective issuer via the EFT Functional Code SWTFL.

The Switch File is necessary because not all passive reenrollments will be sent before OEP commences on November 1. For enrollees who actively reenroll before the Marketplace has passively reenrolled them, no passive reenrollments will be sent because the enrollees have indicated their next year plan selection. The current year subscribers are placed on the current year issuer's Switch File so that the issuer knows to non-renew the subscriber.

Each Switch File will be cumulative, identifying current enrollees who have switched issuers as of their most recent plan selection on the day before the file is generated. If an enrollee who has switched issuers for next year subsequently switches back to a plan offered by the enrollee's current year issuer, that enrollee will be removed from the next daily Switch File. A qualified dental plan (QDP) subscriber will appear on the Switch File if the current subscriber either actively enrolled in a QHP without a QDP for the next plan year, or if the QDP subscriber actively switched to a different QDP issuer.

Note that the Switch File excludes subscribers who were auto-reenrolled and later switch to a different issuer, since the current year issuer will have the cancelled passive reenrollment as the indicator that the enrollment is to be non-renewed. Enrollees who actively enroll in any next year plan offered by the same current year issuer will also not be included on the Switch File because the issuer will be aware of the plan change via the active enrollment transaction.

The layout for the 2016 Switch File is available at https://zone.cms.gov/document/reenrollment-transaction-summary-issuers-2016-coverage. (Registration and login are required.)

E. Cancellations

Marketplaces have two guiding principles about passive reenrollment. First, passive reenrollments are only sent for current enrollees. Second, Marketplaces replace passive reenrollments with active enrollments initiated by enrollees to honor their selections. There are instances, however, where Marketplaces and issuers must cancel passive reenrollments because the passive reenrollment is later determined to violate one of those two principles.

In one instance, the first principle is violated because the FFM learns after it has sent a passive reenrollment that the enrollee's coverage ended before the end of the current year, making the enrollee ineligible for passive reenrollment. This happens, for example, when an issuer terminates current year coverage due to nonpayment after the passive reenrollment was already sent for the next benefit year. When this happens, the Marketplace will send 834 transactions

canceling the passive reenrollment during December 2015 and via the established reconciliation process thereafter. Cancellation transactions are sent with the I834 EFT Functional Code.

In another instance, the second principle is violated because a current enrollee actively returns to apply and reenroll in next year coverage without using a pre-populated application. He or she creates a new Marketplace account and might not be recognized by his or her FFM to be an existing enrollee who already has a passive reenrollment that should be cancelled by the active enrollment. Marketplaces have analytics, however, that identify passive reenrollments that duplicate active reenrollments, and cancel the passive reenrollment in the FFM. The issuer receives a cancellation file in the Incremental Pre-audit File, known as a "Cancel IPA," and is instructed to process the Cancel IPA to cancel the duplicative passive reenrollments. An issuer that finds duplicative Marketplace enrollments may contact the enrollee to determine his or her intent and report the unwanted policy as cancelled during the reconciliation process.

Table 3: Key Auto-Reenrollment Files and Delivery Dates

File	Description	Estimated Delivery Date(s)	EFT Functional Code
Passive Reenrollments ***See Section IIIA and IVB in this bulletin***	Will reenroll current 2015 enrollees into 2016 Marketplace coverage.	1st Run: Begins 10/15/15 2nd Run: Begins 12/16/15	I834AR
Outreach File ***See Section IIB in this bulletin***	Identifies enrollees who will lose financial assistance in 2016 if they take no action. Issuers may conduct voluntary outreach that encourages the enrollees to return to the FFM to actively apply and enroll in 2016 Marketplace coverage beginning November 1, 2015.	10/1 – 10/14/15	DATAM File Layout at https://zone.cms.gov/document/inconsistency-data-file-layout
Switch File ***See Section IVD in this bulletin***	Will list 2015 subscribers who have not yet been auto-reenrolled and have actively switched to a different issuer for 2016 Marketplace coverage so that the 2015 issuer may non-renew them.	Daily from 11/3/15 to 12/22/15	SWTFL https://zone.cms.gov/document/reenrollment-transaction-summary-issuers-2016-coverage

Cancel Incremental Pre-Audit File ***See Section IVE in this bulletin***	Will cancel passive reenrollments that duplicate active enrollments for 2016 Marketplace coverage.	11/25/15 12/2/15 12/9/15 12/16/15	ISUIPA File Layout at https://zone.cms.gov/document/enrollment-pre-audit-file-layout-v10-5814
834 Cancel Transactions ***See Section IVE in this bulletin***	Will cancel auto-reenrollments that are subsequently ineligible for passive reenrollment due to late 2015 terminations processed after the first wave of passive reenrollment are sent	11/25/15	I834

F. Plan Selection Changes During Open Enrollment

During OEP, an enrollee may change plans, even if the coverage under the enrollee's original selection (active or passive) has been effectuated. Effective dates for enrollee plan selection changes will align with normal effective dates as established in 45 CFR 155.410(f) (although in some cases an SEP with accelerated or retroactive effective dates may apply). An enrollee can change plans by contacting the Marketplace Call Center or by logging into his or her HealthCare.gov account, accessing "My Plans and Programs," and selecting "Change Plan." Plan selection changes made through "Change Plan" are sent as cancel or termination 834 transactions to the issuer of the previously selected plan, and an initial 834 enrollment transaction to the issuer of the newly-selected plan. If the plan selection replaces a passive reenrollment, the current year issuer will receive a cancelled passive reenrollment, indicating that the issuer should non-renew the enrollment.

Enrollees may change plans during a valid enrollment period without reporting a life change on their application. All plan selections that replace another selection are considered active enrollments. If the new selection has the same effective date as the original selection, the original selection is cancelled. Note that from the November 1 beginning of OEP until December 15, the "Change Plans" option is not available; instead, during this time a returning enrollee who has updated a pre-populated eligibility application will proceed to plan selection as if he or she was a new enrollee (though his or her reenrollment plan would be marked in "Saved Plans" in the top navigation of Plan Compare, described in more detail in Section IV.G. of this bulletin).

If the new selection has an effective date after the original selection has started, the original selection will terminate on the day before the new selection takes effect in order to facilitate continuous coverage for the enrollee.

G. Life Changes During Open Enrollment

An enrollee will be able to report life changes triggering CIC transactions to issuers for both current year and next year coverage during the OEP. Enrollee changes to current year coverage

before December 15, such as the addition of a baby or spouse, will be reflected on the passive reenrollment for next year coverage, though it may require an FFM cancelling the original passive reenrollment and sending a second passive reenrollment that reflects the life change. The ability to update 2016 coverage will be available on November 1, 2015.

If the life change was reported before passive reenrollment begins, it would be reflected in the first passive reenrollment. If the life change was reported after the enrollee was passively reenrolled, the life change will be reflected in the second wave of passive reenrollments that begins December 16. In this scenario, the enrollee is passively reenrolled twice, once in the October 15 wave, and once in the December 16 wave. The cancellation for the first passive enrollment will be sent with the EFT Functional Code of I834, and both the first and second passive reenrollments will be sent with the EFT Functional Code of I834AR. After December 15, changes to current year coverage cannot be initiated by the enrollee in self-service mode on HealthCare.gov, but must instead be made through the Marketplace Call Center, which can also assist enrollees in updating their applications and coverage for the next year, if necessary.

A current-year enrollee for whom a passive reenrollment has already been sent to the issuer by his or her FFM will find a pre-populated 2016 application in his or her Marketplace account at the beginning of OEP, but the 2016 passive reenrollment will not be visible until after December 15, 2015 (the cut-off for January 1 coverage). As noted above, this is intentional, to ensure that consumers are not confused about whether they still have time to update information for coverage effective January 1, 2016. Consumers seeking to actively reenroll will use that pre-populated application to report any changes or certify the existing information. Enrollees seeking to actively reenroll will find their reenrollment plan (sometimes called the "crosswalk" plan because it is the reenrollment plan identified by the issuer in its Plan ID Crosswalk Template) in "Saved Plans" in Plan Compare. Until December 15, 2015, if enrollees wish to select the reenrollment plan identified by their issuer, they will need to actively reselect the plan in Plan Compare (either directly or through "Saved Plans"). On or after December 15, enrollees whose passive reenrollment is still in place for January 1 (that is, has not been cancelled as a result of an active selection or termination/cancellation of existing coverage) will be able to see the coverage in their HealthCare.gov account, though the enrollee may still report changes and/or make a different plan selection.

Table 4: Multiple Transactions Illustrated for a Single Enrollment

Transaction Date (same enrollee visits HealthCare.gov on three separate occasions)	October 18	December 18	January 2
Description	Passive Reenrollment sent	Consumer changes plans	Consumer reports a life change
Key 834 codes	Origin Type on 834 =11 (auto-reenroll) INSO4 MRC = 41	Origin Type on 834=01 (FFM Online) INSO4 MRC = EC Straight term/initial (not CiC)	Origin Type on 834 = 01 (FFM Online) INS04 MRC = EC CiC syntax

Transaction Date (same enrollee visits HealthCare.gov on three separate occasions)	October 18	December 18	January 2
EDI Functional Code	I834AR	I834	CIC834

For detailed transaction requirements, issuers should continue to consult the Companion Guide Transaction Information instructions related to the ASC X12 Benefit Enrollment and Maintenance 834 Transaction, based on the 005010X220 Implementation Guide and its associated 005010X220A1 addenda for FFMs, available at: https://zone.cms.gov/document/asc-x12-005010-834-companion-guide. (Registration and login are required.)

H. Tobacco Rating at Reenrollment

For passive reenrollments, FFMs will use the same tobacco status as the current year. During an OEP or SEP, enrollees may update their enrollment to change their last date of tobacco use during enrollment periods such that an enrollee would be eligible to go from tobacco-rated to non-tobacco rated and vice versa, with the change taking effect with a prospective effective date.

V. "Missing" Reenrollments

Issuers that have not received either an active or passive reenrollment for a current year subscriber who is neither on the Switch File nor has a late current year termination may voluntarily reach out to the subscriber after January 1, 2016, to determine if the absence of an enrollment transaction accurately reflects the consumer's intent or is instead an indicator of an unexpected problem.

Before conducting outreach to a subscriber about an apparent missing enrollment for a subscriber, the issuer should take the following steps to ascertain if the current year subscriber is already reenrolled with the issuer for the new plan year:

- To determine if the subscriber is actually reenrolled, but with a new FFM-assigned Member or Subscriber ID, search next year enrollments by the current year subscriber's Social Security Number (SSN), Date of Birth, and other identifiers. If the current year subscriber has new FFM identifiers for the next plan year, accept the new FFM identifiers (current year issuer-assigned identifiers may be used for next plan year issuer identifiers if necessary to link the enrollment).
- Issuers should also see if the current year subscriber returned as a dependent for the next plan year, both by searching on the FFM identifier (a dependent has the same FFM identification number, just without the subscriber indicator) and SSN and other identifiers.

If the reenrollment transaction is expected but still cannot be found, and the subscriber does not appear on the Switch File, the issuer should contact the current-year subscriber by January 31, 2016, to determine the subscriber's intent.

If the subscriber indicates that he or she wants coverage for the next plan year, or continues to pay his or her portion of the premium ("Total Responsibility Amount"), the issuer should continue to provide coverage and collect the enrollment's portion of premium after the application of the most recently received APTC amount and CSR eligibility. For a missing reenrollment, this is the enrollment eligibility the issuer used on its renewal notice to the enrollee pursuant to the June 12, 2015, guidance titled "Distribution of Information Regarding Advance Payments of the Premium Tax Credit (APTC) and Cost-Sharing Reductions (CSR) in Federal Standard Notices for Coverage Offered through the Federally-facilitated Marketplaces" (the "June 12 Guidance").[13]

The issuer should also advise the enrollee of the importance of returning to his or her FFM, preferably while the OEP is ongoing, to actively apply and enroll, and request consideration for a retroactive coverage date in accordance with 45 CFR 155.420(d)(4). This enables the FFM to establish coverage for the enrollment for the next plan year and properly pay the issuer for APTC and CSR. If a Marketplace determines that the enrollment is eligible for coverage effective to January 1, 2016, (or another date) under 45 CFR 155.420(d)(4), it will transmit this information to the issuer.

Table 5: Issuer Checklist for "Missing" Reenrollments after January 1

IF:	THEN:
Consumer indicates that s/he wants next year coverage	**REENROLL** - Advise the enrollee to return to the FFM to actively apply and select the next year Plan ID while the enrollment period is ongoing (which may be eligible for a 1/1/16 effective date per 45 CFR 155.420(d)(4)) - Continue to collect premium (although APTC and CSR payments are based on FFM records) - Reconcile effective dates and other enrollment information if necessary
Consumer indicates that s/he does not want next year coverage	**NON-RENEW** (coverage ends 12/31/15)
Consumer does not indicate intent/no contact with consumer	**REENROLL** (if the consumer has paid his or her portion of the January bill based on any financial assistance the issuer used on the renewal notice) - Advise the enrollee to return to the FFM to actively apply and select the next year Plan ID while the enrollment period is ongoing (which

[13] Available at: http://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/Guidance-on-Distribution-of-Information-Regarding-APTC-and-CSR-061215.pdf.

	may be eligible for a 1/1/16 effective date per 45 CFR 155.420(d)(4)) **OR** **NON-RENEW** (coverage ends 12/31/15 if the consumer has not paid his or her portion of the January premium and has not responded to issuer's inquiry as to intent for 2016 coverage)

VI. Payment and Effectuation

Issuers are not required by federal law to collect a binder payment for subscribers who are passively or actively renewing coverage. This includes passive reenrollments into a new product because the original product is no longer available to the enrollee. Thus, nonpayment for January 2016 coverage for a renewed subscriber by the due date set by the issuer would trigger the applicable grace period. Issuers generally must continue to collect a binder payment for reenrollments into a new product with the same issuer that are not considered renewals for purposes of guaranteed renewability, although an effectuation transaction to the FFM is not required. Binder payments are also required for dependents reenrolling as subscribers (AMRC of "Passive New Subscriber"), or subscribers who are new to the issuer or who have experienced a gap in coverage (MRC of EC with no AMRC).

Issuers do not need to send FFMs an effectuation transaction for any subscriber with the same FFM-assigned Subscriber ID passively or actively reenrolling in coverage with the same issuer. Similarly, issuers need not send effectuations when a current-year-effectuated enrollee selects the same issuer in an enrollment update reported through a CiC. This is because FFMs are carrying forward the policy status of the previous enrollment (effectuated or initial).

Effectuation transactions are required for enrollments with a new subscriber, such as a young adult child being reenrolled as a new subscriber in a passive reenrollment age-off scenario. Issuers must also send effectuation transactions for active enrollments for new enrollees and for returning enrollees who did not have continuous coverage with the issuer.

For more information on renewals for the purposes of guaranteed renewability or payment grace periods spanning plan years, see September 12, 2014, "Revised Bulletin 10 on Grace Periods Related to Terminations for Non-Payment of Premiums and Enrollment through the Federally-facilitated Marketplace across Benefit Years" (https://www.regtap.info/uploads/library/REVISED_Bulletin10GracePeriods_5CR_091214.pdf).

VII. Direct Enrollment and Agents/Brokers

FFM enrollees enrolled through Direct Enrollment (DE) in 2015 and who still have coverage as of October 15, 2015, will be passively reenrolled just as other enrollees, with FFMs sending

passive reenrollments to issuers using the 2016 plan indicated by the issuer on the Plan ID Crosswalk Template. These passive reenrollments will follow the same rules for passive reenrollments described in Sections III and IV of this bulletin. If the 2015 enrollment had an NPN associated with it, the 2016 enrollment will include the NPN (if an enrollee wanted to end their association with the NPN, he or she must actively enroll by completing a 2016 application, removing the NPN, and making a plan selection). If enrollees enrolled through DE or a web-broker have updated eligibility information to report, they may start at their DE issuer and be redirected to their FFM to submit a 2016 application and complete plan selection on the DE issuer or web-broker's site (DE also accommodates enrollees who came directly to the FFM in 2015 and want to enroll through DE for 2016). Similarly, the enrollee could come to his or her FFM directly to complete a 2016 application and plan selection. Both of the latter scenarios would be considered active reenrollment. Please note, unlike 2015 OEP, during which an enrollee needed to create a new application, for 2016, a 2016 application will be generated for the enrollee through passive reenrollment, and the enrollee should work off of that pre-populated application when returning to his or her FFM to actively enroll in 2016 coverage.

Agents/Brokers who are assisting an applicant with the completion of an application will have the option to search for a consumer's 2016 application and edit the pre-populated 2016 application. Agents/Brokers who are completing an application on behalf of an applicant will also have the ability to search for existing applications (multiple plan years) and view the consumers' "My Account" pages. For existing enrollees, Agents/Brokers should not start a new 2016 application without searching to see if an enrollee has a 2016 pre-populated application created by passive reenrollment. As with last year, when a new transaction is sent via DE, the associated NPN is sent as part of that transaction; the NPN is not manually entered like it can be in the FFM pathway, or "side-by-side" model.

VIII. Consumer Notices

A. Marketplace Notices and Messages

The April 22 Guidance discusses the MOENs that FFMs will send to all 2015 enrollees who do not have a future termination transaction on file. MOENs for all enrollees will include standard content; MOENs for enrollees who fall into the Opt-Out, Special Notice, and Failure to Reconcile groups will include one set of special content; and MOENs for enrollees who fall into the Income-Based Outreach group or have APTC and do not fall into one of the groups listed above will include a second set of special content.

After December 15, 2015, FFMs will send enrollment confirmation messages to 2015 enrollees, which will contain information about the status of their 2016 passive reenrollment. Enrollment confirmation messages will note, for each person on an application, whether each applicant was successfully enrolled into 2016 QHP coverage through an FFM and, if so, will indicate the QHP name(s), QHP ID(s), and whether any financial assistance was applied. If the applicant was not passively reenrolled (see Section III.C.), the consumer will be encouraged to complete a 2016 application and plan selection through the FFM, and to contact his or her FFM to find out if an SEP may be available for a coverage effective date of January 1, 2016.

B. Issuer Notices

On September 2, 2014, CMS released guidance on the form and manner of issuer notices when discontinuing or renewing products in the group or individual market.[14] That guidance was updated by the June 12 Guidance,[15] which provides direction to FFM issuers on the APTC and CSR information issuers should use when sending discontinuation, renewal and reenrollment notices required under 45 CFR 147.106 and 156.1255. The June 12 Guidance states:

> Consistent with the instructions to issuers in the September 2, 2014, bulletin, if the issuer has not received the updated APTC amount from the Marketplace for applicable enrollees at the time it sends the applicable renewal or discontinuation notice, the issuer may use the current APTC amount as an estimated 2016 value, provided that the amount is clearly indicated as an estimate only, and that policyholders are informed in the notice that the actual APTC amount and corresponding enrollee premium responsibility for January 2016 will be displayed on (1) the regularly scheduled bill for January 2016 coverage; and/or (2) a supplemental notice.

Consistent with 45 CFR 156.250 and 155.230(b), QHP issuer notices must conform to the standards in 45 CFR 155.205(c), which addresses accessibility and language access.

[14] Form and Manner of Notices When Discontinuing or Renewing a Product in the Group or Individual Market, available at http://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/Renewal-Notices-9-3-14-FINAL.PDF.

[15] Available at http://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/Guidance-on-Distribution-of-Information-Regarding-APTC-and-CSR-061215.pdf.