CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

Medicare Non-Renewal & Non-Issuance: Operational Guidance



Center for Consumer Information and Insurance Oversight (CCIIO)

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https://www.regtap.info/FFENR.php

The information provided in this presentation is not intended to take the place of the statutes, regulations, and formal policy guidance that it is based upon. This material summarizes current policy and operations as of the date it was uploaded to REGTAP. Links to certain source documents may have been provided for your reference. We encourage persons taking the course to refer to the applicable statutes, regulations, and other interpretive materials for complete and current information

Medicare Non-Renewal -Policy

Qualified Health Plans (QHPs) Non-renewal for certain Medicare enrollees due to a 2018 Payment Notice change in guaranteed renewal

- FFM auto-reenrollment operations is not changing for Open Enrollment (OE) 2018 for dual QHP/Medicare enrollees
- QHP issuers that have positive knowledge that an enrollment contains a QHP enrollee that is entitled to Medicare Part A or enrolled in Medicare Part B must non-renew the entire policy if the QHP reenrollment plan is a ***change of policy or contract and duplicates*** Medicare
  - Issuers should not presume that everyone 65 or older is Medicare entitled
  - State rules determine when a change in policy or contract of insurance has occurred

Medicare Non-Renewal -Operations

This operational guidance updates the instructions for QHP Non-renewal for dual QHP/Medicare enrollees initially provided in the 2018 OE Transaction Summary on 7/17/17

1. **Send 2017 TERM-OTH by 10/6 – Preferred Option (same as 7/17/17)**

   An issuer that is ending coverage to comply with the Anti-duplication provision should send the FFM an IC834 term with MTC: 024 and AMRC TERM-OTH effective 12/31 (MRC is not used)

   - Send the IC834 by 10/6 to prevent auto-renewal (if the term is sent after BAR, the FFM will cancel the auto-reenrollment after a lag)
   - The issuer should send a termination notice to the non-renewed Medicare entitled/enrolled person. Issuers should advise multi-person enrollments that include enrollees not known to be in Medicare to actively reenroll by December 15, making the Medicare enrollee a non-applicant

****Alternative Options *after* BAR for additional Issuer operational flexibility****

2. **Send 2018 CANCEL-OTH (same as 7/17/17)**

   An issuer that receives an FFM BAR transaction for a known Medicare entitled/enrolled consumer should send an IC834 cancel to the FFM with MTC: 024 and AMRC: CANCEL-OTH (MRC is not used)

3. **Send a 2018 CANCEL for nonpayment (new)**

   An issuer may also send an IC834 CANCEL for nonpayment as it will not impact any future SEP Verifications functionality

4. **Use "Rejected Enrollments" tab of ER&R Dispute Form (new)**

   The ER&R rejected enrollments is a longstanding way for issuers to reject auto-renewals

Medicare Non-Renewal & Non-Issuance- Operations

5. **Send cancellation on 2018 RCNI file (new)**

   Issuers may send the cancellation on the 2018 RCNI file, beginning in December, to be cancelled through the normal Enrollment Reconciliation process

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- End-of-Year (EOY) indicator is currently not being updated in the FFM based on data sent on issuer RCNI files, primarily due to continued data quality issues
  - **Issuers should not use 2017 RCNI EOY indicator to non-renew dual QHP/Medicare enrollees**

Reminder*: *Issuers have always been required under the Anti-duplication provision of SSA to cancel applicable initial enrollments for known Medicare enrollees.

- *Use options 2-3 from previous slide to cancel new initial enrollments for known Medicare enrollees*