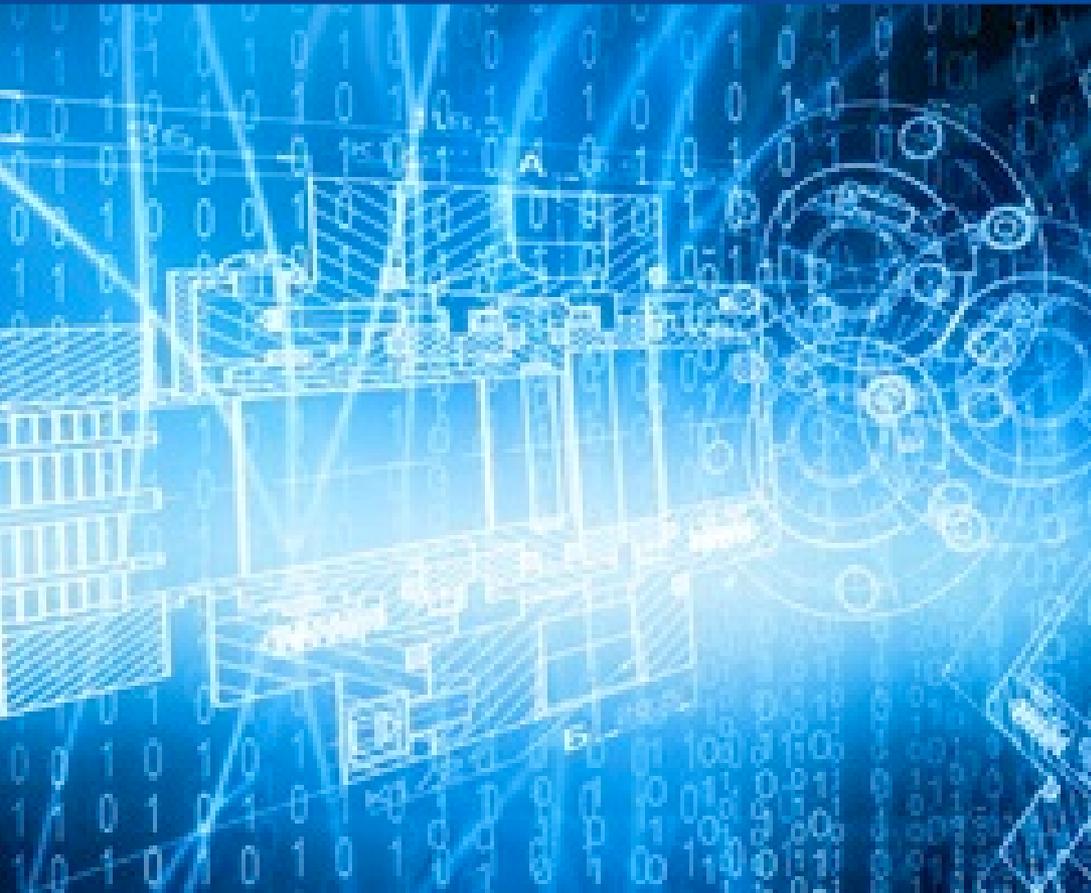


# Termination of Financial Assistance through the Federally-facilitated Marketplaces (FFMs) due to other Minimum Essential Coverage (MEC)



*January 4, 2016*

*Note: This guidance clarifies and supersedes any conflicting guidance in the Federally-facilitated Marketplace and Federally-facilitated Small Business Health Options Program Enrollment Manual published on October 1, 2015.*

# Termination of Financial Assistance through the FFM's due to other MEC

- Consumers with other MEC are not eligible for QHP coverage through the Marketplaces with advance payments of the premium tax credit (APTC) or cost-sharing reductions (CSRs)
  - Examples of other MEC include Medicaid, the Children's Health Insurance Program (CHIP), Medicare, and employer-sponsored coverage (ESC)
- Consumers enrolled in other MEC should end their Marketplace coverage with APTC/CSRs to minimize potential tax liability for APTC received while enrolled in other MEC\*
- If interested, these consumers can enroll in Marketplace coverage without APTC/CSRs, if otherwise eligible

*\* For MEC Medicaid and CHIP, tax liability starts the first of the month following the Medicaid/CHIP eligibility determination*

# How to End QHP Coverage with APTC/CSRs through the Federally-facilitated Marketplaces (FFMs)

Scenario	When to End FFM Coverage with APTC/CSRs	Termination Effective Date
Everyone on application is eligible for or enrolled in other MEC (e.g., Medicaid, CHIP, Medicare, ESC) and is also enrolled in FFM coverage with APTC/CSRs	When the consumer learns that he or she is eligible for or enrolled in other MEC	No sooner than 14 days from the date the request is made at the FFM [ <b>Note:</b> Issuers have the discretion, at the consumer’s request, to provide a termination date as early as the date that the request is made at the FFM.]
Some, but not all, on application are eligible for or enrolled in other MEC (e.g., Medicaid, CHIP, Medicare, ESC) and are also enrolled in FFM coverage with APTC/CSRs	The day coverage in other MEC starts or as soon as the consumer learns that he or she is enrolled in other MEC	<ul style="list-style-type: none"> <li>• If the remaining consumer(s) is <b>not</b> eligible for an SEP: Day before the request is made at the FFM. [<b>Note:</b> The new policy, which excludes the removed member, is effective the day that the consumer requests the removal at the FFM.]</li> <li>• If the remaining consumer(s) is eligible for an SEP: Date will follow SEP effective date rules [<b>Note:</b> The remaining consumer(s) is eligible for an SEP if the subscriber is removed from coverage and/or the remaining consumer(s) otherwise meets the criteria for an SEP.]</li> </ul>

**Important:** Although some types of other MEC, such as Medicaid or CHIP, may provide retroactive coverage effective date, retroactive termination of Marketplace coverage will be granted at the FFM only if the consumer experiences a technical error while trying to end his or her coverage through the FFM.