Health Coverage Options if Losing a Job

U.S. Department of Labor
Employee Benefits Security Administration
AGENDA

- HIPAA Special Enrollment
- COBRA
- Trade Adjustment Act (TAA)
- Health Coverage Tax Credit (HCTC)
- Health Insurance Marketplace
Health Care Coverage in Group Health Plans
Who are we and why are we here?

- U.S. DOL, EBSA enforces ERISA

- ERISA is the law that governs many of the benefits sponsored by private sector employers.

- Job Loss affects benefits
  - Timely action needed to protect benefits
Special Enrollment

- Requires a group health plan to allow an employee/spouse/dependent to enroll for coverage upon loss of other group health coverage

- Employee must request special enrollment from the other plan **within 30 days** of loss of coverage

- Coverage becomes effective 1\textsuperscript{st} of the month following application
COBRA

- Ability to continue group health coverage under employer’s plan
  - Includes dental and vision plans
  - Excludes disability and life insurance plans
- Applies to plans in private and public sectors
- Covers plans if employer has 20 or more employees
COBRA

- Job Loss – COBRA available for 18 months
- Participant can be charged 102% of the full cost of the insurance
- Notice to Participant within 44 days
- Participant has 60 days to elect COBRA and then 45 days to make initial payment
- COBRA coverage is always retroactive to date coverage was terminated
EBSA Contact Information

- Benefits Advisors
  - askebsa.dol.gov
  - 1-866-444-3272 toll free

- Website: [www.dol.gov/ebsa](http://www.dol.gov/ebsa)

Look for publication “Retirement and HealthCare Coverage…Questions and Answers for Dislocated Workers”
Overview of HCTC And Trade Adjustment Assistance (TAA) Program

EBSA Webcast
January 21, 2016
HCTC Overview

• The Trade Preferences Extension Act of 2015 (Public Law 114-27), enacted June 29, 2015, extended and modified the expired Health Coverage Tax Credit. Previously, those eligible for the HCTC could claim the credit against the premiums they paid for certain health insurance coverage through 2013.

• The HCTC can now be claimed for coverage through 2019.

• The HCTC is available for certain displaced workers receiving income support through the Trade Adjustment Assistance (TAA) program and for certain retirees receiving pensions from the Pension Benefit Guaranty Corporation.

• IRS administers the program in collaboration with the Pension Benefit Guaranty Corporation, The Department of the Treasury, and the Department of Labor in conjunction with the State Workforce Agencies.

• The State Workforce Agencies are responsible for providing general information to claimants concerning the HCTC program together with TAA services, and to identify eligible TAA recipients.
What is HCTC?

- The HCTC is a refundable tax credit of 72.5 percent of the cost of qualified health coverage.
- To claim this credit, a taxpayer must file a federal income tax return and complete a Form 8885 Health Coverage Tax Credit.
- Currently, the IRS is working to re-establish the Monthly/Advance credit program with an anticipated mid-year 2016 release.
- The monthly/advance program allows taxpayers to pay their 27.5 percent on a monthly basis as their qualified health insurance payments are due.
Which TAA recipients are Eligible for HCTC?

• **Those eligible to receive TRA**
  – An “eligible TAA recipient” is defined as an individual who receives TRA for any day of the month or who would be eligible to receive TRA but for the fact that s/he has not exhausted his or her unemployment (UC) entitlement.

• **Those eligible to receive RTAA/ATAA**
  – An “eligible RTAA/ATAA recipient” is defined as an individual who is a worker under section 246(a)(3)(B) of the Trade Act and who is participating in the program established under paragraph (a)(1) of that section for a month and is receiving a benefit under section 246(a)(2) of the Trade Act for that month.
Requirements for HCTC?

• Guidance forthcoming to States
  ➢ to provide claimants with proof of their eligible TAA- or ATAA/RTAA-recipient status for submission with their 2014 and 2015 Form 8885, Health Coverage Tax Credit.
  ➢ In mid-year 2016, Automated submission of eligible TAA- or ATTA/RTAA recipients meeting HCTC eligibility criteria to IRS.

• Eligible TAA recipients will remain eligible for the HCTC as long as they are eligible TAA or are ATAA/RTAA recipients AND are meeting the other HCTC eligibility criteria.
The Health Coverage Tax Credit (HCTC) Program
Reauthorized through the Trade Preferences Extension Act of 2015
P.L. 114-27 (H.R. 1295)

DOL/EBSA Webinar
Know The Health Coverage Options If You Lose Your Job
Lynn H. Reno, Senior Manager IRS HCTC Program Office
January 21, 2016
HCTC Phased Approach Implementation

The Trade Preferences Extension Act of 2015, enacted June 29, 2015, extended, and modified the expired Health Coverage Tax Credit through January 1, 2020. Previously, those eligible for the HCTC could claim the credit against the premiums they paid for certain health insurance coverage through 2013.

Phase I—2014 Retroactive Credit
HCTC is available and claimed using a Form 1040X Amended Return retroactively back to January 1, 2014

Phase II—2015 Tax Filing
Taxpayers should file a tax return and claim the HCTC using the Form 8885.

Phase III—2016 Monthly/Advance
Legislation provides 1 year to establish a Monthly/Advance HCTC Program. Until this is implemented, taxpayers with qualified insurance can claim the credit on their 2016 tax return.

HCTC Qualified Insurance
Prior to 2016, all previous qualified health plans continue to qualify for the HCTC as well as Marketplace insurance obtained through the ACA.

HCTC Eligibility
Eligibility for HCTC continues to be provided by the SWA’s through the ICON system. DOL and IRS are currently working to implement the process and procedures.

Questions?
Please visit [www.irs.gov/hctc](http://www.irs.gov/hctc) for the most current information on the HCTC Program.
Marketplace Open Enrollment & Special Enrollment Periods

It’s time! Take action for 2016
First time applying on HealthCare.gov?

TAKE THE FIRST STEP TO APPLY

Have a 2015 Marketplace plan?

LOG IN TO KEEP OR CHANGE PLANS

SEE PLANS & PRICES
PREVIEW 2016 PLANS

UNDER 30?
GET CUSTOM GUIDE

2016 DEADLINES
SEE DATES

NEED A 2015 PLAN?
SEE IF YOU CAN ENROLL

GET IMPORTANT NEWS & UPDATES
Sign up for email and text updates to get deadline reminders and other important information.

SIGN UP

HEALTHCARE.GOV BLOG
November 18
Nulla ipsum dolor luctus, suscipit adipiscing ula ipsum dolor luctus, suscip
November 15
Nulla ipsum dolor luctus, suscipit adipiscing ula ipsum

SEE MORE
Marketplace Open Enrollment

- Occurs annually
  - Everyone has an opportunity to enroll based on eligibility
  - Insurance carriers are required to accept all applicants without underwriting or evidence of insurability

- Compare the costs and coverage of the plans offered
- Make changes in existing Marketplace coverage
- Enroll in coverage for the upcoming year
  - January 1, 2016 is the first date 2016 coverage can start
Key Open Enrollment Messages

- It’s time to get covered
  - Don’t miss your chance to get covered
- The final deadline to get covered is January 31
- Financial help is available
  - Over 8 our of 10 people enrolled through HealthCare.gov qualified for financial help to make their monthly premium more affordable
- Getting covered is easier than ever
- Free help is available
When You Can Enroll in Coverage

- During the Annual Open Enrollment Period (OEP)
  - The OEP for coverage in 2015 ended February 15
  - For coverage in 2016, the OEP will be November 1, 2015 - January 31, 2016
- During a Special Enrollment Period (SEP), if eligible
- Once per month if member of federally recognized Indian tribe or Alaska native shareholder
- Anytime you’re eligible for Medicaid or the Children’s Health Insurance Program
You can enroll if you’re eligible for an SEP because you have

• A qualifying life event, or
• Another qualifying circumstance

Most SEPs last 60 days from the date of the qualifying event

• 30 days in the Small Business Health Options Program (SHOP) Marketplace
Qualifying Life Events

- Lose minimum essential coverage not including
  - Voluntary termination
  - Failure to pay premiums on a timely basis
    - Including COBRA premiums prior to expiration of COBRA coverage
  - Situations allowing for a rescission
- Enrolled in any non-calendar year group health plan or individual health insurance coverage
- Lose pregnancy-related coverage
- Lose medically needy coverage
  - Only once per calendar year
Qualifying Life Events—Continued

- Gain a dependent or becomes a dependent
  - Marriage, birth, adoption, placement for adoption, or placement in foster care, or through a child support order or other court order
- Enrollee loses a dependent or is no longer considered a dependent
  - Divorce or legal separation, or death
- The qualified individual, or dependent, who wasn’t previously a citizen, national, or lawfully present individual gains such status
The qualified individual's or dependent's enrollment or non-enrollment in a Qualified Health Plan (QHP) is unintentional, inadvertent, or erroneous.

QHP substantially violated a material provision of its contract in relation to the enrollee.
Qualifying Life Events—Continued

- The enrollee (or the enrollee's dependent enrolled in the same Qualified Health Plan) is determined newly eligible or newly ineligible for advance payments of the premium tax credit or has a change in eligibility for cost-sharing reductions

- A qualified individual or dependent who’s enrolled in an eligible employer-sponsored plan is determined newly eligible for APTC
Consumers living in a non-Medicaid expansion state becoming newly eligible for advanced payment of your premium tax credit

Gaining access to new Qualified Health Plans (QHPs) as a result of a permanent move

Gaining or continuing status as a member of an Indian tribe or an Alaska Native shareholder

• May enroll in a QHP or change from one QHP to another one time per month
Qualifying Life Events—Continued

- Exceptional circumstances
- Enrollment errors
- Survivors of domestic violence, domestic abuse or spousal abandonment
- Members of AmeriCorps, VISTA, and NCCC programs
Plan Selection for Other Circumstances
Special Enrollment Periods (SEPs)

- Generally you have 60 days to select a plan
  - From date you’re granted Other Circumstances SEP
- Plan selection timeframe starts when
  - You get a letter telling you you’re eligible for an SEP
  - You contact the Call Center and are found eligible
  - A CMS caseworker finds you eligible
## Coverage Effective Dates for Life Change SEPs

<table>
<thead>
<tr>
<th>Type of Life Change SEP</th>
<th>Plan Selection Date</th>
<th>Coverage Effective Date</th>
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<tbody>
<tr>
<td>Release from incarceration</td>
<td>Between the 1&lt;sup&gt;st&lt;/sup&gt; and 15&lt;sup&gt;th&lt;/sup&gt; day of the month</td>
<td>First day of the following month</td>
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<tr>
<td>Become lawfully present</td>
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<tr>
<td>Gain status as an Indian</td>
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</tr>
<tr>
<td>Enrollee or dependent in the same QHP is determined newly eligible or newly ineligible for APTC or has a change in eligibility for CSR</td>
<td>Between the 16&lt;sup&gt;th&lt;/sup&gt; and last day of the month</td>
<td>First day of the second following month</td>
</tr>
<tr>
<td>Living in a non-Medicaid expansion state becomes newly eligible for Advanced Premium Tax Credit</td>
<td></td>
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</tr>
<tr>
<td>An enrollee or his or her dependent dies</td>
<td>Any day of the month</td>
<td>First day of the month following the plan selection, or regular effective date</td>
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**Coverage Effective Dates for Life Change SEPs**

July 2015

Marketplace Special Enrollment Periods
## Coverage Effective Dates for Life Change SEPs

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<tr>
<td>• Loss of minimum essential coverage</td>
<td>On or before the day of the triggering event</td>
<td>First day of the month following loss of MEC</td>
</tr>
<tr>
<td>• Is enrolled in any non-calendar year GHP plan or individual plan</td>
<td>After the day of triggering event</td>
<td>In accordance with regular effective date or, on the first day of the following month</td>
</tr>
<tr>
<td>• Loses pregnancy-related coverage or medically needy coverage</td>
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</tr>
<tr>
<td>• Enrolled in an eligible employer-sponsored plan is determined newly eligible for APTC</td>
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<tr>
<td>• Gains access to new QHPs as a result of a permanent move</td>
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## Coverage Effective Dates for Life Change SEPs

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<tr>
<td>Gaining a dependent through marriage, Losing a dependent or no longer being considered a dependent through divorce or legal separation</td>
<td>Any day of the month</td>
<td>First day of the following month</td>
</tr>
<tr>
<td>Birth, adoption, placement for adoption or foster care</td>
<td>Any day of the month</td>
<td>Day of the event, or the first day of month following the event, or regular effective date</td>
</tr>
<tr>
<td>Becomes a dependent through a child support order or other court order</td>
<td>Any day of the month</td>
<td>Day the court order is effective or regular effective date</td>
</tr>
</tbody>
</table>
If you have a qualifying life change, you can contact the Marketplace

- **Online at HealthCare.gov**
  - Log into your account and click on Report a life change
- **By phone**
  - Call the Marketplace Call Center at 1-800-318-2596
  - TTY 1-855-889-4325
Use the screening tool to see if you qualify for a Special Enrollment Period.

Online at HealthCare.gov/screener

Please enter a valid ZIP code and select a county.

Enter your ZIP code

85283 Maricopa County

What do you want to do first?

- Find out if you qualify for a Special Enrollment Period. If you qualify, you can enroll in a Marketplace health plan outside the annual Open Enrollment.

- Find out if you’re eligible for Medicaid or CHIP. These programs cover millions of individuals and families with limited incomes and disabilities. If you qualify, you can enroll any time.

- Start a Marketplace application. If you know you qualify for a Special Enrollment Period or Medicaid/CHIP, apply or update now.

CONTINUE
Gather Important Information

Download or print this checklist so you know what information may be needed to apply for coverage

marketplace.cms.gov/outreach-and-education/apply-for-or-renew-coverage.pdf
General Process for Other Circumstances
Special Enrollment Periods (SEPs)

1. Call the Marketplace Call Center to request an SEP at 1-800-318-2596 (TTY 1-855-889-4325)
2. Call Center asks questions to determine if you’re eligible
3. If granted, the Call Center activates the SEP
4. You can enroll online or through the Call Center
5. If your SEP request is denied, you can appeal
Two ways to request a Marketplace eligibility appeal

1. Complete an appeal request form
   - Available at HealthCare.gov/can-i-appeal-a-marketplace-decision/

2. Write a letter explaining the reason for the appeal

Then mail the request to

Health Insurance Marketplace
465 Industrial Blvd.
London, KY 40750-0061
Getting Help With Appeals

- You can request an appeal within 90 days of receiving an eligibility determination
- You can get help with Marketplace eligibility appeals
  - Health Insurance Marketplace Call Center will help by explaining how to request an appeal
    - 1-800-318-2596 (TTY: 1-855-889-4325)
- The Marketplace Appeals Center can answer questions about your appeal after it is filed
  - Call 1-855-231-1751 (TTY: 1-855-739-2231)
Getting Help With Appeals (Continued)

- Navigator program—can help you ask for a Marketplace eligibility appeal
- Appointed representatives—can request a Marketplace eligibility appeal and speak for the you
  - Call the Marketplace Appeals Center to learn more 1-855-231-1751 (TTY: 1-855-739-2231)
### Appendix 1—Special Enrollment Period (SEP) Enrollment Effective Dates

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<th>Type of Life Change SEP</th>
<th>Plan Selection Date</th>
<th>Coverage Effective Date</th>
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<tbody>
<tr>
<td>In the case of birth, adoption, placement for adoption, or placement in foster care</td>
<td>Any day of the month</td>
<td>• The date of birth, adoption, placement for adoption, or placement in foster care</td>
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<tr>
<td></td>
<td></td>
<td>• The first of the month following the date of birth, adoption, placement for adoption,</td>
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<td></td>
<td></td>
<td>or placement in foster care</td>
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<tr>
<td></td>
<td></td>
<td>• Regular effective date based on the day of the month of plan selection</td>
</tr>
<tr>
<td>Gains a dependent or becomes a dependent through marriage</td>
<td>Any day of the month</td>
<td>The first day of the month following plan selection</td>
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<tr>
<td>Loses a dependent or is no longer considered a dependent through divorce or legal</td>
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<td></td>
</tr>
<tr>
<td>separation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enrollment errors</td>
<td>Any day of the month</td>
<td>Based on the circumstances of the special enrollment period</td>
</tr>
<tr>
<td>Contract violation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exceptional circumstances</td>
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### Appendix 1—Special Enrollment Period (SEP) Enrollment Effective Dates (Continued)

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<th>Type of Life Change SEP</th>
<th>Plan Selection Date</th>
<th>Coverage Effective Date</th>
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<tr>
<td>• Loses minimum essential coverage</td>
<td>If the plan selection is made on or before the day of the triggering event</td>
<td>First day of the month following the loss of coverage</td>
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<tr>
<td>• Enrolled in any non-calendar year group health plan or individual health insurance coverage</td>
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<tr>
<td>• Loses pregnancy-related coverage</td>
<td>If the plan selection is made after the day of the triggering event</td>
<td>In accordance with regular effective date or, on the first day of the following month</td>
</tr>
<tr>
<td>• Loses medically needy coverage</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Enrolled in an eligible employer-sponsored plan is determined newly eligible for APTC provided that such individual is allowed to terminate existing coverage</td>
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<td>• The qualified individual or enrollee, or his or her dependent, gains access to new QHPs as a result of a permanent move</td>
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<td>Gains dependent or becomes a dependent through a child support order or other court order</td>
<td>Any day of the month</td>
<td>On the date the court order is effective, or regular effective date</td>
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<td>If an enrollee or his or her dependent dies</td>
<td>Any day of the month</td>
<td>On the first day of the month following the plan selection, or regular effective date</td>
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