January 8, 2019

Comments submitted by the Connecticut Health Insurance Exchange dba Access Health CT to Proposed Rule on Patient Protection and Affordable Care Act; Exchange Program Integrity

File Code: CMS-9922-P

The Connecticut Health Insurance Exchange dba Access Health Ct (AHCT) submits the following comments to the section of the proposed changes related to the separate payment requirement of Section 1303 of the Patient Protection and Affordable Care Act (ACA), 45 CFR 156.280. AHCT asserts that the proposed changes will greatly increase burden and cost for QHP issuers, will increase burden and cost for enrollees and result in increased confusion for enrollees and the possibility of enrollee terminations for non-payment of premium.

The ACA provides that QHP issuers may elect to provide coverage for non-Hyde abortion services in their QHPs if permitted by state law, but that if an issuer elects to cover such services, the issuer must take certain steps to insure that no Premium Tax Credit (PTC) or Cost-Sharing Reduction (CSR) funds are used to pay for such services. Issuers are required to determine the amount of, and collect from, each enrollee, a "separate payment" equal to the actuarial value of coverage of such services, which shall be a minimum of $1 per enrollee per month. In 2015, the U.S. Department of Health and Human Services (HHS) published the Patient Protection and Affordable Care Act; HHS Notice of Benefit and Payment Parameters for 2016 (80 FR 10750), which set forth guidance for acceptable billing and payment practices with regard to Section 1303 of the ACA. This guidance provided several alternative methods QHP issuers could use to comply with the "separate payment" requirement. Under this guidance, QHP issuers have been permitted to send enrollees a notice at the beginning of the plan year regarding the separate payment requirement; or to send enrollees one monthly bill while noting the separate payment amount for coverage of non-Hyde amendment abortion services, and to collect the amount together with the rest of the premium due from the enrollee.

Federal law and regulation provides that PTCs or the advance payments of PTC (APTC) may only be used to fund the portion of monthly premium covering the Essential Health Benefits (EHBs) set forth in the ACA. If a QHP provides coverage for services other than the EHBs, the enrollee must pay the full cost of the coverage for these services. However, QHP issuers are not required to send enrollees separate bills for EHB portion of premium versus non-EHB portion of premium. This proposed rule would cause increased burden and cost and dramatically increase consumer confusion by treating premium for one specific type of non-EHB benefits differently

than other non-EHB benefits. By proposing to change its guidance from 2015, HHS would be requiring different billing and payment rules for coverage of certain non-EHB services. This will be extremely confusing for enrollees and lead to possible loss of coverage.

If HHS imposes a new requirement that QHP issuers produce two separate bills for each subscriber each month for coverage of these non-EHB services, and that enrollees make two separate payments to issuers for their monthly premium including other non-EHB services and this one specific non-EHB service, it will result in considerably increased cost and burden for QHP issuers. The cost of making changes to billing systems and generating a separate bill for $1 per enrollee per month will greatly exceed $1 per month. QHP issuers made substantial investments to their billing systems in 2013 to accommodate the sale of QHPs, and the use of PTC funds from the federal government. Imposing a new requirement for separate billing through two separate and distinct bills would result in increased administrative costs, which will ultimately be passed on to enrollees. It is common practice for issuers to generate one bill per month for a household that may purchase separate insurance plans from the issuer, such as automobile and homeowners insurance, for reduced administrative cost and the ease of use for the member. The member is still aware that they are purchasing two separate insurance plans even though they are invoiced through one monthly statement and are permitted to send one payment for more than one plan.

The proposed rule also provides that the enrollee must make separate payments for their portion of the monthly premium for EHB services plus certain other non-EHB services, and then a different payment for the non-Hyde amendment non-EHB services that must be a minimum of $1 per enrollee per month. However, the proposed rule states that QHP issuers may accept one check or payment for both portions of premium, or accept two checks sent in one envelope. However, the proposed rule states that HHS would expect QHP issuers to explain the requirement for separate payments to a member if they send one payment. The confusion that will arise will lead to increased calls to call centers for the QHP issuers and AHCT, resulting in increased burden and cost. It does not make sense to require enrollees to make separate payments, or to ask QHP issuers to explain the requirement for separate payment. The QHP issuers are able to disaggregate the separate payment amounts into the separate allocation accounts for coverage of non-Hyde amendment services and not cause considerable burden and confusion for enrollees.

AHCT focuses a significant portion of its outreach efforts helping to educate members about the need to pay their monthly premium bills on time in order to maintain their health insurance coverage. If this section of the proposed rule is finalized as presented, it will result in a great deal of confusion for members, and create a risk of termination for some members. AHCT views these additional billing practices to be cumbersome and confusing to consumers and creating a barrier to accessing – but more importantly using – health insurance coverage. Nearly half of AHCT's enrollees are eligible for CSR plans meaning they report incomes at or below 250 % of the Federal Poverty Level (FPL). Some of these members may have been

enrolled in Medicaid programs previously, so there is already an important education component regarding payment of premiums necessary to help these enrollees maintain their health insurance coverage throughout the coverage year.

Health insurance literacy continues to be a primary focus for AHCT. AHCT solicits feedback annually from consumers, brokers, and Community Partners about how to make the complex concepts involved in health insurance simpler, with specific emphasis for members of our population who have never before been responsible for paying for health insurance.

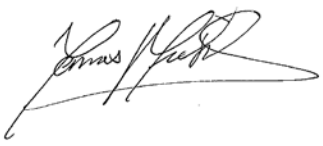
Annually, AHCT encourages customers to enroll in coverage and take full advantage of all financial help available, and to be sure to make their "binder" payment to their QHP issuer to effectuate their coverage. Without a binder payment, an enrollment is often not effectuated by a carrier. AHCT partners with its QHP issuers through several channels to ensure consumers understand their responsibility for making the first month's payment, and monthly payments throughout the year thereafter.

In summary, AHCT provides the following suggestions for reaching the program integrity goals of the proposal:

1. Maintain the existing guidance regarding separate payment by allowing QHP issuers to send monthly bills that specify the separate payment amount for non-Hyde amendment services and allow enrollees to make one payment for the entire member responsible portion of monthly premium.
2. If HHS does decide to finalize this policy as proposed, the effective date for requiring such a major change in billing and payment of premium should align with the beginning of a new plan year. This would allow QHP issuers to make changes to their billing systems and to provide information to enrollees regarding the new separate billing and payment during a time where they are most actively interacting with AHCT and the . We suggest implementing this policy, if finalized, effective for plan years beginning on or after January 1, 2021 but no earlier than January 1, 2020.

Thank you for your consideration of these comments.

Sincerely,



James Michel
CEO, Access Health CT