



# 2019 Sign-up and Renewal Journey Frequently Asked Questions

## SIGN-UP AND RENEWALS

### What are the official 2019 Sign-up and Renewal dates?

#### 2019 Sign Ups

| <u>Timeframe</u>                     |   | <u>Effective Date of Coverage</u> |
|--------------------------------------|---|-----------------------------------|
| October 15, 2018 – December 15, 2018 | → | January 1, 2019                   |
| December 16, 2018 – January 15, 2019 | → | February 1, 2019                  |

#### Renewals

| <u>Timeframe</u>                    |   | <u>Effective Date of Coverage</u> |
|-------------------------------------|---|-----------------------------------|
| October 1, 2018 – December 15, 2018 | → | January 1, 2019                   |

### What is Passive/Active Renewal?

Each fall, Covered California sends renewal notices to currently enrolled consumers, inviting them to update their account information, if necessary, and actively choose a new health plan for the upcoming plan year. This is active renewal. If consumers take no action, Covered California automatically renews their current coverage to continue in the following plan year. This is passive renewal.

### Will ALL Covered California consumers be passively renewed if no changes are made to their application?

Yes, if the consumer takes no action, Covered California will passively renew the consumer into the same plan for the upcoming plan year, if the plan is still available.

## BINDER, PAYMENTS, & INCOME CHANGES

### If a consumer was terminated for non-payment, when they reinstate do they have to pay back premiums for months of non-payment?

Carriers do not usually reinstate a consumer after termination of coverage due to non-payment. In the rare case that they do, the start date and repayment depend on the specific circumstances of each case.

### Are binder payments required when consumers stay with the same carrier, but switch metal levels like Silver to Bronze? What about Silver 87 to Silver 94?

The first payment for a plan renewal in the same plan (including different CSR variations of the plan) or in the same product (HMO, PPO, EPO, etc.) with the same carrier is not considered a binder payment as related to grace period. It is the binder payment for the prior policy that grants rights to a grace period with the same plan or product under the same carrier, even in a new plan under the same product or another CSR level of the same plan. But if the consumer switches to a different product (e.g., from a Silver HMO to Bronze PPO), they don't qualify for a grace period and will have to make a binder payment.



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**If an application is submitted without a binder payment will it be processed? Do they have to submit a binder payment via the Covered California online application or can they call their carrier and pay after submitting the application? Will they be billed by the carrier? Does the consumer have the option to pay later in the year?**

Some carriers allow the first or “binder” payment to be made online, after plan selection. If such an option is not available, or if the consumer chooses not to pay at the time of application and enrollment, the carrier will send a bill. The consumer will need to pay by the due date on the bill.

### ADVANCE PREMIUM TAX CREDIT (APTC)

**If a consumer predicts their income for 2019, does Covered California update their APTC if the 2018 reported taxes is different?**

The APTC calculation for a given plan year is always based on the income entered in the application. If income is updated during the course of the year, the APTC already used is taken into account and the remainder available is prorated according to the number of remaining months of the year.

**If a consumer is offered insurance through their employer, but the premium is only affordable for the consumer and not their family, is the family able to receive APTC with Covered California?**

It depends on whether the employer offers dependent coverage. If the employer offers dependent coverage, even if it’s unaffordable, those dependents do not qualify for APTC. This is called the family glitch. However, if the employer does not offer dependent coverage, the dependents are free to get coverage (and APTC/CSR) through Covered California.

**Will APTC be restored back to January 1 of the plan year when a consumer calls to give consent?**

Yes, APTC will be retroactively applied. After updating consent, you will see the APTC amount and net premium. You can advise the consumer to pay the net premium. If the consumer has already paid the gross premium, the difference will be credited to the consumer in the next billing cycle.

**For self-employed consumers, do I report gross income or MAGI?**

Eligibility for APTC is based on Modified Adjusted Gross Income (MAGI) for all consumers, including self-employed consumers. MAGI is calculated by taking adjusted gross income (which includes business income or loss reported on Schedule C and the above-the-line standard deductions) and adding back certain items such as foreign-earned income, tax-exempt interests, and non-taxable portion of Social Security benefits (excluding SSI).

The Covered California application is concerned with MAGI rather than taxable income. Please enter income and deduction fields as they display in the application so that MAGI and APTC eligibility can be correctly calculated.



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### FEDERAL POVERTY LEVEL (FPL)

#### **Where can I find the FPL chart?**

The FPL chart is always available on [www.coveredca.com](http://www.coveredca.com). You can find the new FPL chart for plan year 2019 [here](#). You may need to clear your computer cache to retrieve the new version.

#### **If a consumer has exceeded the minimum Federal Poverty Level (FPL) for Medi-Cal, but later in the year loses their job and has \$0 monthly income, are they eligible for MAGI Medi-CAL moving forward?**

Yes, if the consumer reports an income within Medi-Cal income limits (and is otherwise eligible for Medi-Cal), they will transition to Medi-Cal from the month that they met the income eligibility. Unlike APTC/CSR eligibility, which is based on projected annual income, Medi-Cal eligibility is based on the current monthly income, regardless of the consumer's income for the previous months.

### APPLICATION, PLANS, & COVERAGE

#### **Does the over age dependent need to submit a new application?**

If the person is over age 26 and tax dependent, they should stay on the family application and enroll in their own health plan via the "custom grouping" option in the application. If the person is over age 26 and not tax dependent, they must be on their own application, in their own plan.

If the person over age 26 is a disabled adult child, they can stay on the family application and in the family health plan.

#### **When do the covered dependents come off the family plan?**

Each year, Covered California and carriers coordinate to remove dependents over age 26, who are not disabled adult children, prior to the start of the renewal and enrollment season.

#### **If members update their information before 10/1, will those changes, such as income apply to the current year or 2019 or both?**

Those changes will be applied to the current plan year and also used at renewal, which would apply the most current information in the application to the 2019 plan year.

#### **Will there be a penalty for not having coverage in 2019?**

No. The Tax Cuts and Jobs Act reduced the shared responsibility payment to \$0, effectively eliminating the penalty. Consumers will pay a penalty for not having coverage in 2018, but it will be \$0 for not having coverage in 2019. More information can be found [here](#).



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### SHOP AND COMPARE

**Is there an option to print a comparison of the plans from Shop and Compare?**

Unfortunately, not. We plan to add this feature in future years.

**When will the 2019 rates be loaded into Shop and Compare?**

The 2019 rates were loaded into the Shop and Compare tool on October 1, 2018.

### GENERAL/MISC.

**What is the Approved Administrative Staff role and can they contact the Service Center on the Agent's behalf?**

Approved Admin Staff have the ability to act on behalf of the Agency Managers within the Agency. This means that Approved Admin Staff, depending on level, can view consumer details, accept an Agent's pending delegation requests, complete and submit an application for a consumer on behalf of the agent, and start an application on behalf of an Agent. Approved Admin Staff are also permitted to call the Agent Service Center. You can find more information about the Approved Admin Staff role [here](#).

**Will the renewal notices sent to consumer contain the broker information?**

Yes, the renewal notices contain specific agent contract information including address and phone number.

**Is the Webinar going to be sent out or posted online?**

Yes, a [PDF of the presentation](#) and [Video Recording](#) is available online and was sent in an email communication. You can also find both in the [Webinars & Briefings for Certified Enrollment Partners](#) tab in the [Covered California Tool Kit](#).