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SEP Policy Proposals for PHE Unwinding

April 20, 2022

Overview of End of Public Health Emergency (PHE)

What is Public Health Emergency (PHE)?

- Established as part of Families First Coronavirus Response Act of 2020
- Prevents states from disenrolling any beneficiary who was enrolled in Medicaid as of March 18, 2020, while increasing the share of federal Medicaid spending

What happens when PHE expires?

- DHS will have approximately 6 months from the end of the PHE to process ~915k Medicaid recipients who have either been maintained due to the PHE or currently have an overdue renewal
 - This is in addition to DHS' regular renewal processing volumes
- PA PHE Unwinding tentatively July 15 through Jan. 31, 2023
- Many will be determined ineligible for Medicaid and needing to find coverage elsewhere, including Pennie

Will individuals losing Medicaid coverage be eligible for SEP through Pennie?

- Individuals losing Medicaid coverage are eligible to enroll through Pennie due to Loss of Minimum Essential Coverage (MEC) special enrollment period (SEP) which allows enrollment:
 - Up to 60 days prior to the loss of coverage, coverage effective 1st of month after loss of coverage; or
 - Up to 60 days after loss of coverage, coverage effective 1st of month after plan shopping

Overview of End of Public Health Emergency for Pennie Insurers (3/2/2022)



SEP Policy Proposals for PHE Unwinding



Extension of SEP for Loss of Minimum Essential Coverage (MEC)

Loss of Minimum Essential Coverage (MEC) – 45 CFR § 155.420(d)(1)

Proposal	Policy Goal(s)	Benefits	Challenges
Extend the Loss of MEC SEP to 120 days effective the month in which the PHE unwinding period begins (tentatively July 15, 2022) and terminating on the last day of PA's unwinding period (tentatively Jan. 31, 2023)	<ul style="list-style-type: none">• Provide for a seamless transition for customers losing coverage during the PHE unwinding• Give Pennsylvanians experiencing loss of coverage additional time to access coverage through Pennie during an unprecedented event	<ul style="list-style-type: none">• Minimize the gap in coverage for those experiencing a loss of coverage who come to Pennie• 120-day SEP would provide time following the 90-day MA reconsideration period for customers to enroll in Pennie coverage	<ul style="list-style-type: none">• Differs from current practice• Operational challenges around creating a temporary change

Proposed Approach:

- Extend the Loss of MEC SEP from 60 days to 120 days for the duration of PA's PHE unwinding period
- 120-day SEP would be granted to customers starting in the month in which the PHE expires through the last month in which DHS processes customers during the unwinding process:
- Ex. If the PHE unwinding process ends Jan. 31, 2023, an individual losing coverage on Jan. 31 will have 120 days to enroll and an individual losing coverage in February would have 60 days to enroll using Loss of MEC SEP.

Stakeholder Feedback: TBD

Staff Recommendation: TBD

Retroactive Coverage Effective Date Policy for Loss of MEC SEP

45 CFR § 155.420(b)(3)

Proposal	Policy Goal(s)	Benefits	Challenges
<p>Provide customers with a Loss of MEC SEP who enroll after the date they lost coverage with a coverage effective date of either:</p> <p>(a) 1st of the month following coverage loss event date, or</p> <p>(b) 1st of the month following plan selection.</p> <p>Policy becomes effective the month in which the PHE unwinding period begins (tentatively July 15, 2022) and terminates on the last day of PA's unwinding period (tentatively Jan. 31, 2023)</p>	<ul style="list-style-type: none"> Provide for a seamless transition for customers losing coverage coming to Pennie during the PHE unwinding process 	<ul style="list-style-type: none"> Provides for continuous coverage for Pennsylvanians experiencing a qualifying life event due to coverage loss Limiting to Loss of MEC QLE will ensure those with access to this option were previously enrolled in coverage 	<ul style="list-style-type: none"> Differs from current practice Would treat Loss of MEC QLE differently from other QLEs

Proposed Approach:

- Provide customers experiencing a Loss of MEC SEP the option to select a coverage effective date that is the 1st of the month following an event date when enrolling in coverage after the event date, provided they are in the SEP window
- Option would be in addition to a prospective coverage effective date based on the 1st of the month following plan selection
- Option would be made available starting during the month in which the PHE ends and would sunset after the unwinding process is complete (tentatively Jan. 31, 2023)

Stakeholder Feedback: TBD

Staff Recommendation: TBD

Examples of Loss of MEC SEP Policy Proposals

Example 1: Loss of MEC 6/30/2022 (prior to PHE unwinding period)

Loss of MEC on	Plan Selected on	Coverage Start Date	Policy Proposal Applicable?	
			Extended 120-day shopping period?	Choice of retro coverage start date?
6/30/2022	6/16/2022	7/1/2022	--	--
	7/16/2022**	8/1/2022	--	--
	8/16/2022**	9/1/2022	--	--
	9/16/2022**	No SEP Available (more than 60 days from coverage end date)	--	--
	10/16/2022**		--	--
	11/16/2022**		--	--

**Note: Even though plan selection made after the start of PHE unwinding, extended shopping period and choice of retro coverage start date not available because the loss of coverage date was before the start of PHE unwinding.

Assumptions:

- Loss of MEC SEP may be due to loss of Medicaid or other MEC (e.g. employer-sponsored coverage)
- PHE unwinding period begins 7/15/2022
- PA's PHE unwinding period ends 1/31/2023

Examples of Loss of MEC SEP Policy Proposals

Example 2: Loss of MEC 7/31/2022

Loss of MEC on	Plan Selected on	Coverage Start Date	Policy Proposal Applicable?	
			Extended 120-day shopping period?	Choice of retro coverage start date?
7/31/2022	7/28/2022	8/1/2022	--	--
	8/11/2022	9/1/2022 (or 8/1/2022)	--	✓
	9/12/2022	10/1/2022 (or 8/1/2022)	--	✓
	10/17/2022	11/1/2022 (or 8/1/2022)	✓	✓
	11/17/2022	12/1/2022 (or 8/1/2022)	✓	✓
	12/17/2022	No SEP Available (more than 120 days from coverage end date)	--	--

Assumptions:

- Loss of MEC SEP may be due to loss of Medicaid or other MEC (e.g. employer-sponsored coverage)
- PHE unwinding period begins 7/15/2022
- PA's PHE unwinding period ends 1/31/2023

Examples of Loss of MEC SEP Policy Proposals

Example 3: Loss of MEC 1/31/2023

Loss of MEC on	Plan Selected on	Coverage Start Date	Policy Proposal Applicable?	
			Extended 120-day shopping period?	Choice of retro coverage start date?
1/31/2023	1/17/2023	2/1/2023	--	--
	2/17/2023	3/1/2023 (or 2/1/2023)	--	✓
	3/17/2023	4/1/2023 (or 2/1/2023)	--	✓
	4/17/2023	5/1/2023 (or 2/1/2023)	✓	✓
	5/17/2023	6/1/2023 (or 2/1/2023)	✓	✓
	6/17/2023	No SEP Available (more than 120 days from coverage end date)	--	--

Assumptions:

- Loss of MEC SEP may be due to loss of Medicaid or other MEC (e.g. employer-sponsored coverage)
- PHE unwinding period begins 7/15/2022
- PA's PHE unwinding period ends 1/31/2023

Examples of Loss of MEC SEP Policy Proposals

Example 4: Loss of MEC 2/28/2023 (after end of PA's PHE unwinding period)

Loss of MEC on	Plan Selected on	Coverage Start Date	Policy Proposal Applicable?	
			Extended 120-day shopping period?	Choice of retro coverage start date?
2/28/2023	1/17/2023**	3/1/2023	--	--
	3/17/2023	4/1/2023	--	--
	4/17/2023	5/1/2023	--	--
	5/17/2023	No SEP Available (more than 60 days from coverage end date)	--	--
	6/17/2023		--	--
	7/17/2023		--	--

**Note: Even though plan selection made prior to end of PA’s PHE unwinding on 1/31/2023, extended shopping period and choice of retro coverage start date not available because the loss of coverage date was after the end of PA’s PHE unwinding.

Assumptions:

- Loss of MEC SEP may be due to loss of Medicaid or other MEC (e.g. employer-sponsored coverage)
- PHE unwinding period begins 7/15/2022
- PA's PHE unwinding period ends 1/31/2023



Next Steps

Next Steps

- Pennie to seek stakeholder feedback
- Stakeholder feedback ([click here](#)) due **by 5/4/2022**
- Staff recommendations and stakeholder feedback presented to Board on **5/10/2022**