

Delaware's Health Insurance Marketplace: Update on Activity

Delaware Health Care Commission
February 5, 2015

Secretary Rita Landgraf
Department of Health and Social Services



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Agenda

- Enrollment report
- Tax information for consumers
- Penalty review
- Enrollment stories
- Outreach update
- Plan Management update
- Key dates

2014 Enrollment Outcomes

As of December 31, 2014, there were 24,080 Delawareans enrolled in health care coverage through expanded Medicaid and the Marketplace.

- 14,397 individuals enrolled in QHPs through the Marketplace
- 9,683 individuals were enrolled in Medicaid through the expansion

2015 Enrollment Report

Total number of Delawareans selecting a 2015 Marketplace health plan as of Jan. 30	21,276
Individuals eligible for Medicaid in January with incomes between 100-138% FPL	9,611
Total 2015 enrollment through the Affordable Care Act	30,887

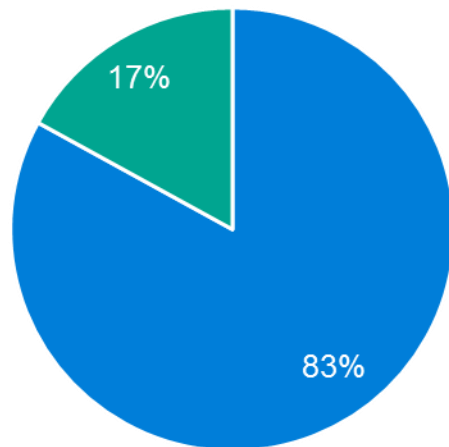
Understanding Medicaid Enrollment

- Because Medicaid enrollment is open year-round, we see continual “churn” in the numbers of individuals who are in the program at any time
- This month’s Medicaid enrollment in the expansion category is lower than last month’s. That reflects the reality that individuals enter and exit the Medicaid program throughout the year.
- Some examples of reasons for this churn:
 - An increase in income will make an individual ineligible for Medicaid and eligible for the Marketplace
 - A decrease in income may put an individual below 100% FPL and they would qualify for Medicaid under a different eligibility category
 - Change in household size

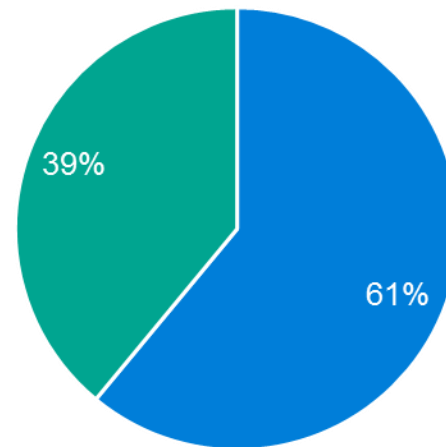
2015 Marketplace Enrollment

In addition to the weekly snapshots, HHS released a report showing increased detail on enrollments as of Jan. 16.

Of Delawareans selecting a Qualified Health Plan as of Jan. 16:



■ Financial Assistance ■ No Financial Assistance



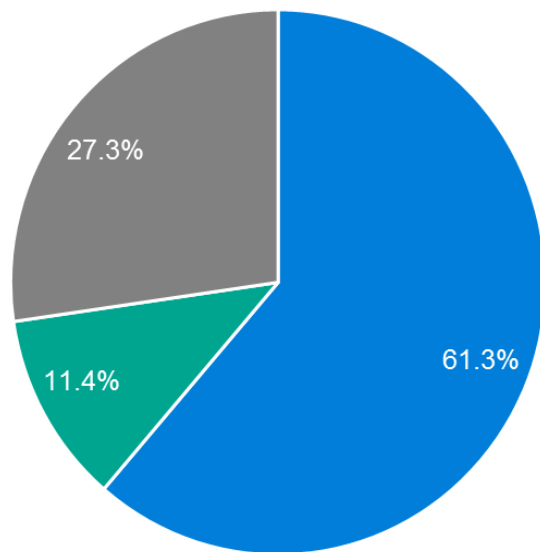
■ Reenrollments ■ New Enrollments



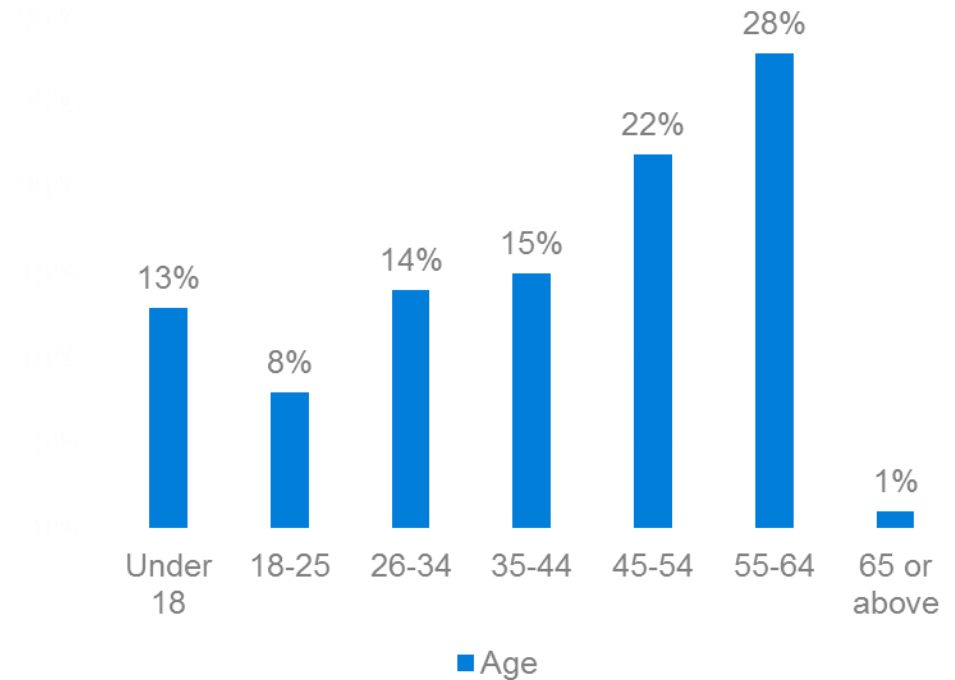
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2015 Marketplace Enrollment

Of Delawareans selecting a Qualified Health Plan as of Jan. 16:

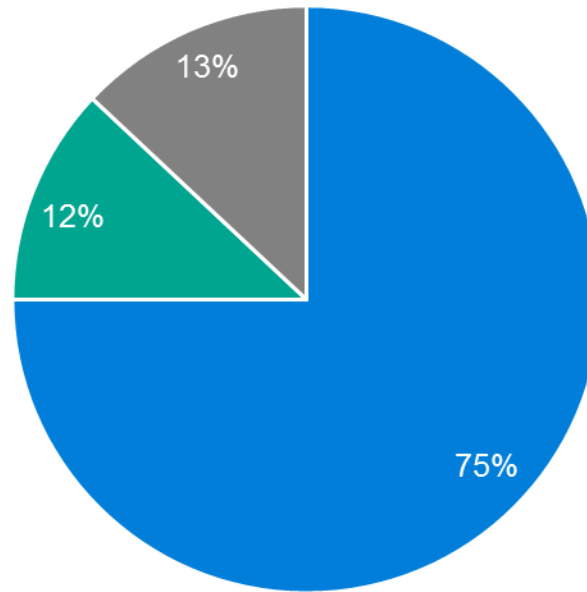


■ New Castle ■ Kent ■ Sussex



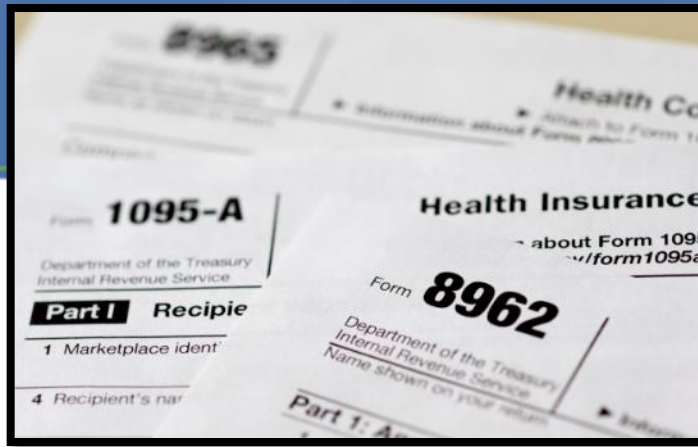
2015 Marketplace Enrollment

Of Delawareans who have completed applications as of Jan. 16:



- Eligible, selected a plan
- Eligible, no plan selection
- Assessed eligible for Medicaid

2014 Taxes



- Those with health coverage through a source other than the Marketplace will check a box on their income tax return confirming their coverage
- Taxpayers who enrolled in health coverage through the Marketplace in 2014 will receive Form 1095-A, Health Insurance Marketplace Statement
- Tools are available on HealthCare.gov and through tax preparers that will help individuals to determine if they qualify for an exemption (IRS Form 8965) or to reconcile their Premium Tax Credit for 2014 (IRS Form 8962)
- Visit www.irs.gov/aca or www.healthcare.gov/taxes for more information

2014 Taxes: Marketplace Enrollees

For consumers who purchased a QHP through the Marketplace and received Premium Tax Credits (PTCs), when filing taxes:

- To have received a PTC on their 2014 Marketplace plan, individuals were required to *estimate* their total household income for 2014. Based on that estimate, the Marketplace set the amount of the PTC, and the government then sent subsidies to the insurance companies to reduce the plan holder's monthly premiums.
- The *actual* amount of the PTC is determined by individuals' final income for the year, which they will find out when they complete their taxes
- Consumers who received/claimed less than the amount for which they were eligible may claim the remainder as part of a refund or to reduce taxes owed
- For consumers who received more than the amount for which they were eligible, the difference is treated as additional tax and may result in a smaller refund or larger balance due

2014 Taxes: Marketplace Enrollees

- The IRS recently announced that consumers who received excess PTCs and, as a result, are not able to pay their tax obligations in full by April 15 can receive relief from the late-payment penalty typically assessed
 - Note: This late-payment penalty is different from the individual shared responsibility payment consumers may pay for being uninsured for all or part of 2014
- The full text of the IRS notice may be found at:
<http://www.irs.gov/pub/irs-drop/n-15-09.pdf>
- Consumers with additional questions should seek assistance from a tax professional.
 - The IRS provides free tax preparation assistance for some individuals. Visit <http://www.irs.gov/Individuals/Free-Tax-Return-Preparation-for-You-by-Volunteers> for information

Penalty

Individuals who do not have minimum essential coverage or receive an exemption will be subject to an individual shared responsibility payment—a penalty. This will be paid through the income tax filing process.

- **In 2014, the penalty is \$95 per uninsured adult (\$47.50 per child) or 1% of household income, whichever is higher.** This will be paid on an individual's 2014 taxes (filed in 2015).
- **In 2015, the penalty is \$325 per uninsured adult (\$162.50 per child) or 2 percent of income, whichever is higher.** This will be paid on an individual's 2015 tax return (filed in 2016). Consumers can avoid this penalty by enrolling in coverage by February 15, 2015.

Even if individuals pay the penalty, they still don't have any health insurance coverage and they are responsible for 100% of the cost of their medical care.

➤ Get an estimate of your 2015 penalty at www.ChooseHealthDE.com

Stories from the Ground



- A consumer from New Castle who is pregnant and uninsured came to Westside with her husband. The husband was referred to Medicaid, and his wife was eligible for a \$176 monthly credit on the Marketplace, making her monthly premium \$59.
- A woman from Delmar was assisted at the Laurel State Service Center. With her tax credit, she will pay \$75 a month for a medical plan and \$20 a month for a dental plan.
- A 38-year-old man from Wilmington applied for coverage for him and his daughter – his wife is covered through her job. After a tax credit, they will pay a premium of \$177 a month.

Stories from the Ground

- Due to their annual income, a 52-year-old man from New Castle and his wife did not qualify for a tax credit. They selected group coverage and will pay \$827 a month. He was happy that they will save money over the coverage offered through his job.
- A woman from Pike Creek was happy with her coverage for \$107 a month.
- The night before meeting with a Marketplace Guide, a man from Sussex County filed his tax return and learned of the penalty for not having coverage in 2014. As a result of a divorce, he said his health has been affected and he had been seeing a doctor. He enrolled in medical and dental plans for less than \$90 per month.



Stories from the Ground: MPG Feedback

- Consumer awareness was much higher this year.
- The application and enrollment process has been much smoother.
- Consumers appear to require less technical assistance with the website.
- Many consumers returning to the Marketplace had difficulty logging in because of forgotten e-mail addresses, passwords, user names, etc.
- The key consideration continues to be cost.
- Many consumers approach enrollment intending to enroll in the minimum coverage required to avoid paying a tax penalty.
- The state's promotion of enrollment locations has been effective in driving consumers to in-person assisters.
- Some organizations reported that overall consumer understanding of insurance basics and terminology had improved, while others reported that consumer knowledge in this area is still quite low.

In-Person Assister Activity



- From November 1 through January 31, Marketplace Guides and Navigators have helped consumers complete 757 enrollments and 171 renewals
- Guides and Navigators also made 604 referrals to Medicaid
- Marketplace Guides and Navigators are available to assist consumers with applications and enrollments in locations across the state, 7 days a week, including extended hours and additional locations and events in the last weeks of open enrollment

➤ Visit www.ChooseHealthDE.com for the most up-to-date listing of times and locations

National Youth Enrollment Day

- Choose Health Delaware hosted an event on Jan. 29, National Youth Enrollment Day, in partnership with Wilmington University
- Marketplace Guides were on hand to answer consumer questions and complete enrollments



Plan Management Update

Bulletin to Issuers

- On Jan. 28, the Dept. of Insurance (DOI) published a Bulletin to issuers inviting them to submit a Letter of Intent to apply for QHP certification for PY 2016
- The Bulletin includes the 2016 QHP standards passed by HCC in December
- Responses are due by Feb. 17
- After that date, DOI will provide information to HCC on the number and types of issuers that are anticipated to participate in the 2016 submission/review cycle
- The Bulletin is available on the DOI website at:
<http://delawareinsurance.gov/departments/documents/bulletins/Domestic-Foreign-Insurers-Bulletin-No73.pdf?updated>

2016 QHP Review

- DOI is conducting analysis of approved QHP state standards, proposed Federal regulations and draft CMS guidance to issuers released in late Dec.
- The Plan Management team is working to update its guidance for issuers and scheduling calls with issuers to discuss the application and review process
- DOI will finalize its instructions and guidance to issuers once the Federal government has released its final rules and guidance regarding the 2016 QHP review, which is expected in late Feb. or early March

Key Dates

Date	Milestone
February 15, 2015	Open Enrollment for Marketplace coverage in 2015 ends

- Medicaid enrollment is open all year.
- Small businesses can enroll in SHOP at anytime.
- Only those with qualifying life events, such as birth/adoption of a child, loss of minimum essential coverage, aging out of parents' insurance at age 26, etc., may enroll in the Marketplace after February 15.

**Time is
running out**
to get health insurance!

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