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COVERED CALIFORNIA POLICY AND ACTION ITEMS
December 7, 2017 Board Meeting

COVERED CALIFORNIA FOR SMALL BUSINESS (CCSB) ELIGIBILITY AND ENROLLMENT EMERGENCY REGULATIONS READOPTION AND PERMANENT RULEMAKING AUTHORIZATION

Bobbie Moore, Chief of Sales Operations & Small Group

Discussion

HIGHLIGHTS TO PRIMARY PROPOSED CHANGES

Section and Title	Proposed Changes
<p>Section 6520 (a)(1),(7-10),(D) Employer and Employee Application Requirements.</p>	<ul style="list-style-type: none">• Additional questions added to the Employer Application:<ul style="list-style-type: none">○ Standard Industry Classification (SIC) code○ Whether employer is currently offering health coverage, if so, through which carrier○ Whether employer intends to claim the Small Business Health Care Tax Credit with the IRS○ Business Owner/Authorized Company Officer information○ Agency Federal Employer Identification Number, if applicable○ Whether qualified employer wishes to include infertility benefits to qualified employees

HIGHLIGHTS TO PRIMARY PROPOSED CHANGES

Section and Title	Proposed Changes
<p>Section 6520 (d)(1-3) Employer and Employee Application Requirements.</p>	<ul style="list-style-type: none">• Employee Application requirements:<ul style="list-style-type: none">○ Removal of request for employee to provide principle business address○ Added request for employee to indicate whether eligibility enrollment is for new hire○ Election of Cal-COBRA or COBRA continuation coverage pursuant to the following conditions:<ul style="list-style-type: none">▪ COBRA coverage is currently in effect under the qualified employer’s plan; or▪ Employee has a qualifying event that renders the employee eligible for continuation coverage and is applying for that coverage
<p>Section 6522 (4) (A) & (5)(A) Eligibility Requirements for Enrollment in the SHOP.</p>	<ul style="list-style-type: none">• Added flexibility language of lesser requirements to align with market practices during promotional times of year for the following areas:<ul style="list-style-type: none">○ Participation○ Minimum employer contribution for employee only coverage• Lesser minimum percent that may be determined by prevailing market practice through a SHOP survey of market practices. The percentage will be published on the CCSB website.

HIGHLIGHTS TO PRIMARY PROPOSED CHANGES

Section and Title	Proposed Changes
Section 6522 (B) Eligibility Requirements for Enrollment in the SHOP.	<ul style="list-style-type: none">• Valid waivers to include any other federal or state health coverage
Section 6522 (6) Eligibility Requirements for Enrollment in the SHOP.	<ul style="list-style-type: none">• Employer requirements who wish to offer infertility benefits to his/her qualified employees in accordance to:<ul style="list-style-type: none">○ CA Health and Safety Code Section 1374.55○ CA Insurance Code Section 10119.6

HIGHLIGHTS TO PRIMARY PROPOSED CHANGES

Section and Title	Proposed Changes
Section 6526 (d) & (e) Qualified Employer Election of Coverage Periods	<ul style="list-style-type: none">• Clarify a qualified employer may only make changes to reference plan during the qualified employer's annual election period• If a qualified employer's reference plan is no longer available at renewal, a qualified employer must select a new reference plan during the employer's annual election period
Section (b), (f), (i) Initial and Annual Enrollment Periods for Qualified Employees	<ul style="list-style-type: none">• Provided employer submission deadline of at least five business days prior to the desired effective date of coverage• Qualified employees can make a change to their selected QHP during the first thirty (30) days of their new plan year and select a different QHP provided that the newly selected QHP is offered by the same issuer• If the issuer of the QHP in which the enrollee is currently enrolled is no longer available, the enrollee may be enrolled in the lowest cost QHP offered by a different QHP issuer that is available to the enrollee through the SHOP at the same metal tier, as determined by the SHOP on a case-by-case basis

HIGHLIGHTS TO PRIMARY PROPOSED CHANGES

Section and Title	Proposed Changes
<p>Section 6530 (11),(c)(2) Special Enrollment Periods for Qualified Employees and Dependents</p>	<ul style="list-style-type: none">• A qualified employee or his or her dependent loses eligibility for pediatric dental coverage subsequent to turning nineteen (19) years of age and wishes to continue dental coverage under a standalone dental plan offered by a QDP in the SHOP;• If an employee or his or her dependent loses dental coverage, the qualified employee is eligible to select QDP coverage for his or herself or his or her eligible dependents through the SHOP 30 days from the date of the event
<p>Section 6532 (a)(1),(b),(2)(e) Employer Payment of Premiums</p>	<ul style="list-style-type: none">• Language clarification for effectuation to occur on the date requested on the employer’s application once employer’s first premium payment that is no less than 85 percent is delivered to the SHOP• Removed language that payment must be delivered to the SHOP or postmarked by the last day of the invoicing month<ul style="list-style-type: none">○ Payment must be delivered to the SHOP or postmarked by the due date indicated on the invoice (6532(a)(1))• Removed late penalty fee

HIGHLIGHTS TO PRIMARY PROPOSED CHANGES

Section and Title	Proposed Changes
<p>Section 6538 (a)(1-2), (e)(1), (A)&(B) Disenrollment and Termination</p>	<ul style="list-style-type: none">• If a qualified employer terminates coverage through the SHOP, the SHOP must ensure that each QHP terminates the employer’s qualified employees and their dependents enrolled in the QHP through the SHOP• Send notification to each of the qualified employer’s employees enrolled in a QHP through the SHOP within 15 days of receiving notice from the employer• For effective dates of termination, the last day of coverage shall be the end of the month. If the qualified employer provides notice to the SHOP on or before the fifteenth of the month, or on a case-by-case basis an earlier date upon agreement between the QHP and the SHOP; or• If the qualified employer does not provide notice to the SHOP on or before the fifteenth of the month, the last day of the month following the month in which the qualified employer gave notice of termination, or on a case-by-case basis an earlier date upon agreement between the QHP and the SHOP.

HIGHLIGHTS TO PRIMARY PROPOSED CHANGES

Section and Title	Proposed Changes
Section 6538 (B)(2) Disenrollment and Termination	<ul style="list-style-type: none">• Clarification of termination in accordance with subdivision (b) of this section, effective date of termination shall be:<ul style="list-style-type: none">I. No sooner than the last day of the month in which the SHOP receives the request, orII. On a date in a subsequent month specified by the employee as long as that date is the last day of the month ,III. Or on a case-by-case basis an earlier date upon agreement between the QHP and SHOP,IV. In no case will the effective date of termination be a date other than the last day of the month.
	<p>Typographical edits made throughout for clarity and consistency for the following sections:</p> <ul style="list-style-type: none">○ 6520○ 6522○ 6528○ 6530○ 6538

ADDITIONAL PROPOSED CHANGES IN PROGRESS

Proposed Changes in Progress

The following proposed changes are currently in progress with CCSB:

- Plan changes after the effective date of coverage
- New business submission deadlines
- Employer reinstatement and re-application
- Make conforming proposed changes to the SHOP Eligibility & Enrollment Appeals Regulations, if any

Any additional proposed changes to the SHOP Eligibility & Enrollment Regulations will be communicated to stakeholders for review and commenting prior to Action in January for Permanent Rulemaking.