

In the Spotlight: What's New for Annual Enrollment Period 2016

For a third year, the Health Insurance Marketplace (Marketplace) is admitting new and returning health care consumers for another Annual Enrollment Period. This Annual Enrollment Period, which will last from **November 1, 2015-January 31, 2016** presents new challenges and opportunities in the market. Systems limitations will present less of a challenge as in the past. Challenges this year will be due to an uninsured population that is harder to reach. The federal government is planning to go to greater efforts to reach this population by mobilizing new resources to enroll the uninsured. Additionally, the government will be offering new tools to support decision making for consumers once they reach the Marketplace website. This *In the Spotlight* will address changes that individuals and small businesses can expect for Annual Enrollment Period 2016.

New Outreach and Consumer Experience

Outreach efforts. The federal government is redoubling efforts to reach out and educate communities nationwide about the Marketplace. For instance, the White House has initiated Healthy Community Challenge initiatives to leverage local community organizations in twenty towns and cities to enroll uninsured individuals in those towns. Communities that enroll the highest number of eligible uninsured individuals will receive a visit from the President. In North Carolina, Charlotte will participate in this Challenge. Additionally, the federal government will open store front enrollment centers in ten states nationwide, including North Carolina, where individuals can walk in to learn about coverage options and enroll. Services provided through these centers are free of charge.

Marketplace website. The federal government will launch three new tools on the healthcare.gov website for 2016 to help consumers choose the right health plan. These include:

- **Out-of-Pocket Estimator:** This tool helps consumers roughly estimate how much money they might pay for different plan options based on information about them and their medical service use. The new tool will be available for consumers who “window shop” for plans and will estimate the total amount a consumer would pay for premium, deductible, copay and coinsurance for plan options sold through the Marketplace. These estimates account for any premium tax credits for which the individual may be eligible. Cost sharing is estimated based on plan design and consumers’ estimate of “low”, “medium” or “high” medical service use. These estimates are intended to help consumers find health plans that roughly meet their annual budget.
- **Doctor Search:** Consumers may now use a new doctor finder tool on the healthcare.gov website to search for their preferred doctor or hospital in the networks of plans sold on the Marketplace. Through this search, consumers will be able to identify whether their preferred doctor or hospital is in-network for Marketplace plans, whether in-network doctors are accepting new patients, and where they are located. Note that network status of doctors and hospitals change frequently, and the information shown on the federal Marketplace may be out of date. For the most updated and

- complete information, consumers should check out the plan-specific provider directory on a health insurance issuer's website.
- **Drug Search:** Similar to the doctor search, consumers will be able to search for their drugs in the formulary of different plans on the Marketplace. Consumers will also be able to view any limitations placed on access to drugs in health plans sold on the Marketplace. While this tool may outline general formulary information, the health insurer's website is the most accurate and up-to-date source of formulary information.

Renewal process. Similar to [last Annual Enrollment Period](#), consumers who currently have a Marketplace plan will automatically be re-enrolled in the same plan, or mapped to a similar plan if their plan is no longer available. For those individuals who seek to change their plan, they must enroll in the new plan by December 15, 2015 for the new coverage to start on January 1, 2016.

Unlike last year, most consumers who received a premium tax credit in 2015 and remain on the same plan will see their monthly 2016 premium bills updated with a new 2016 premium tax credit amount, as long as they authorized the Marketplace to re-determine on their behalf. Consumers who had coverage in 2015 and actively change their plan will also receive the updated 2016 premium tax credit amount, consistent with last year.

On the federal Small Business Health Options Program (SHOP) Marketplace, employers and employees must all actively enroll in the SHOP to select a plan. If an employer does not actively renew coverage, it will not automatically be re-enrolled and will have to reapply for coverage. In 2016, employers that purchase coverage through the SHOP will have the option to select one plan for their employees from the SHOP qualified health plans (QHPs) offered, or can allow employees to select a plan from one "metal level" of the employers choosing. For instance, the employer may select coverage at the silver level, and its employees would have the opportunity to enroll in any silver plan sold on the SHOP. As applicable, employers may also select a single stand-alone dental plan, or allow employees to select from stand-alone dental plans at a specific level of coverage. Applicable small employers in North Carolina can visit healthcare.gov to enroll in SHOP plans.

Ongoing Challenges

Operations. As the Marketplace enters its third year, operations have in many ways improved over time. Consumers, health plan issuers and others still face challenges, however.

During the 2016 Annual Enrollment Period, a number of consumers will be terminated from their Marketplace policies because the federal Marketplace does not have an application for them, even though they appear actively enrolled in the health insurer's system. Consumers to whom this applies will receive a termination notice for their Marketplace coverage. These consumers are encouraged to return to the Marketplace at healthcare.gov to ensure their coverage is continued. If a consumer returns to the Marketplace **before December 15, 2015** and selects a new plan, they will receive a January 1, 2016 effective date. If a consumer returns to the Marketplace **between December 16, 2015 and January 31, 2016** and enrolls in a new plan, they may request (but are not guaranteed) a January 1, 2016 effective date.

Coverage affordability. The increasing cost of coverage continues to be a challenge for consumers and health insurers alike in 2016. Many of the causes of these rate increases align with [reasons we identified](#) for 2015 rates. Individuals who purchase coverage ACA-compliant plans on and off the Marketplace tend to be high-cost health care users, who drive up the cost of coverage for all consumers. Health insurers are bound by federal rating limitations and mandated benefit enhancements, which also add costs. To cover these costs, health insurers must increase premium rates and as a result, consumers feel the impact on their pocketbooks.

BCBSNC Views

BCBSNC is selling products on the Marketplace in all 100 counties for the third straight year, and is the sole health insurer selling on North Carolina's SHOP Marketplace. While BCBSNC is encouraged by the annual improvements to the Marketplace, we are concerned with its ongoing challenges, too. To mitigate operational errors, BCBSNC has attempted to contact consumers who have been affected by the application discrepancy (see "*Operational Challenges*" above) and offer to enroll them in an off-Marketplace plan. BCBSNC is also concerned with the growing challenge of coverage affordability. In 2016, BCBSNC has made some changes in its product offerings in certain regions of the state, including the Triangle and Charlotte, to better account for the needs of the Marketplace consumers and the rising cost of care. Most customers in the Triangle and Charlotte areas will have the option to choose a lower-cost, limited network plan with their preferred health system of choice through Blue LocalSM and Blue ValueSM.

For More Information:

Federal Marketplace 2016 Key Dates:

<https://www.healthcare.gov/quick-guide/dates-and-deadlines/>

2016 Changes to BCBSNC Plan Offerings:

<http://mediacenter.bcbsnc.com/news/changes-for-2016-aca-plans-designed-to-address-health-care-costs>

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