

R590. Insurance, Administration.

R590-275. Qualified Health Plan Alternate Enrollment.

R590-275-1. Authority.

This rule is promulgated pursuant to Section 31A-2-201 and Subsection 31A-2-212(5) wherein the commissioner may make rules to implement the provisions of Title 31A and preserve state control over the health insurance market.

R590-275-2. Purpose and Scope.

(1) The purpose of this rule is to select an alternate enrollment system for a PPACA qualified health plan as provided in 45 CFR 155.335(j)(3).

(2) This rule applies:

(a) when a carrier will have no qualified health plans available to individuals on the Federal Exchange for the upcoming plan year;

(b) to a carrier who offers a qualified health plan to an individual on the Federal Exchange; and

(c) to the Federal Exchange.

R590-275-3. Definitions.

In addition to the definitions in Sections 31A-1-301 and 31A-30-103, the following definitions shall apply for the purpose of this rule.

(1) "Federal Exchange" means the exchange established and operated by the United States Department of Health and Human Services that makes individual qualified health plans available to qualified enrollees.

(2) "Qualified Health Plan" means a health benefit plan that is certified to meet the standards recognized by the Federal Exchange.

R590-275-4. Alternate enrollment process.

(1) Pursuant to 45 CFR 155.335(j)(3), the Federal Exchange requires a defined alternate enrollment for an enrollee in an individual qualified health plan, QHP, where the carrier will have no exchange option available for the upcoming plan year due to a carrier no longer offering an individual QHP in a particular service area in which it previously offered coverage on the Federal Exchange.

(2) At renewal, if an enrollee does not have an individual QHP available from the same carrier through the Federal Exchange in which to enroll, the Federal Exchange shall direct enrollment for an enrollee to a QHP issued by a different carrier based on the hierarchy in Subsection (3), subject to a carrier's ability to absorb new enrollment.

(3) (a) The enrollee's coverage will be matched to a QHP in the same service area:

(i) at the same metal level; or

(ii) if more than one QHP is available the coverage will be matched to a QHP at the same metal level with the lowest premium.

(b) If no QHP is available at the same metal level in the same service area, the enrollee will be matched to a QHP in the same service area:

(i) that is one metal level lower than the enrollee's current QHP; or

(ii) if more than one QHP is available, coverage will be matched to a QHP at one metal level lower with the lowest premium.

(c) If no QHP is available at the same metal level or one metal level lower and in the same service area, the enrollee will be matched to a QHP that is:

(i) one metal level higher than the enrollee's current QHP;
or

(ii) if more than one QHP is available at one metal level higher, coverage will be matched to a QHP at one metal level higher with the lowest premium.

(d) If no QHP is available at the same metal level, one metal level lower, or one metal level higher in the same service area, the enrollee will be matched to any QHP at any metal at the lowest premium in the same service area.

(4) The alternate enrollment hierarchy in Subsection (3) does not apply to an enrollee who terminates coverage, including termination of coverage in connection with voluntarily selecting a different QHP in accordance with 45 CFR 155.430.

R590-275-5. Penalties.

A person found to be in violation of this rule shall be subject to penalties as provided under Section 31A-2-308.

R590-275-6. Enforcement Date.

The commissioner will begin enforcing this rule September 1, 2017.

R590-275-7. Severability.

If any provision of this rule or its application to any person or circumstances is for any reason held to be invalid, the remainder of the rule and the application of the provision to other persons or circumstances shall not be affected thereby.