WESTERN CENTER ON LAW & POVERTY

Healthcare Practice Tip of the Month
February 2016

Health Tip: Covered California Special Enrollment

As Covered California closes its open enrollment period for 2016, it's a good time to review some of the special enrollment rules that help get your clients the coverage they need during the rest of the year. Outside of open enrollment, only people with qualifying life events (or "triggering events") such as loss of coverage, marriage, or birth of a child, may enroll in a Covered California plan or change Covered California plans.

Mind the Gap: Covered California's normal enrollment rules require an individual to apply and pick a plan before the 15th of a month and pay by the due date later that month in order to have coverage in place the next month – otherwise, coverage doesn't start until the month after. But when losing health coverage (including Medi-Cal!), as long as the individual applies and picks a plan before their other coverage ends, their Covered California plan will start on the first of the next month.

Example: Rey gets a notice that she is losing Medi-Cal at the end of February. She enrolls in Covered California plan on February 29th – her coverage will start on March 1.

Pro tip: If your client did not get proper notice and thus could not enroll in Covered California without a gap, appeal the Medi-Cal termination, ask for aid paid pending, and then sort out the Covered California enrollment.

Buyer's Remorse: Many people chose Covered California Bronze plans because of their cheap premiums. When they need to use their plan, however, they realize that, for most services, they must pay a huge deductible before their health insurance kicks in. Now is a good time to review your client's income – if the need for medical services coincides with a change in income that would change eligibility for a Cost-Sharing Reduction plan (the Enhanced Silver plans that have cheaper co-pays), your client can use special enrollment to switch plans. The out-of-pocket costs and FPL requirements for these plans are **here** (p. 7-8).

Example: Finn enrolled in a Bronze plan. He has recently been diagnosed with cancer and needs treatment. As a result of being sick, he is missing a lot of work and his projected annual income has dropped from 235% FPL to 195% FPL. This means he is now eligible for a Silver 87 cost-sharing reduction plan, which he was not before. He can use special enrollment to switch to the Silver 87 plan which has cheaper out-of-pocket costs than the Bronze plan.

Pro tip: If your client sticks with the same health plan carrier, you can ask that previous expenses be attributed to the new deductible and out-of-pocket maximum. If your client is moving from one Silver plan to another due to a change in eligibility for cost-sharing reductions (e.g. Kaiser Silver to a Kaiser Silver 73 cost-sharing reduction plan), the carrier *must* attribute these to the new plan. *See* **10 CCR § 6506**(d)(9)(D).

Need more info? The full list of qualifying events for special enrollment periods is at **10 CCR § 6504**(a) and the effective dates of enrollment are at 10 CCR § 6504(h).

See also "**Covered California: Special Enrollment Periods**" for a new Health Consumer Alliance consumer brochure that explains the rules on Covered California Special Enrollment Periods, including the qualifying life events and the steps to enroll.

Western Center will be sending these "health tips" on a monthly basis. If you did not receive this directly from Western Center but would like to receive these tips in the future, please contact Shirley Sanematsu at *ssanematsu@wclp.org.*