



Date: September 2, 2016

Subject: FAQs Regarding Crosswalk of Enrollees into Plans Offered by Other Issuers

As part of the HHS Notice of Benefit and Payment Parameters for 2017 Final Rule (2017 Payment Notice), we finalized a provision under which 2016 Health Insurance Marketplace consumers who will not have a QHP offered by their current issuer available to them for 2017 will have a suggested alternative plan from a different issuer selected by the Marketplace. We note that such an enrollment would generally require a binder payment from a consumer. In general, we anticipate that this rule will help those consumers that do not make an active plan selection maintain their Marketplace coverage and financial assistance. Younger consumers are at particular risk of losing Marketplace coverage due to not making an active plan selection. For example, during the 2016 Open Enrollment, the median passive re-enrollee was four years younger than the median active re-enrollee.

However, we have heard concerns from some issuers and state Departments of Insurance about how these new procedures may apply in specific circumstances. The frequently asked questions below address these issues.

Q1: Does CMS have flexibility in implementing these procedures?

Yes. CMS has flexibility to adjust the crosswalk, such as excluding issuers from this process based on their financial capacity. Our regulations specify that CMS should recognize the unique circumstances of these enrollments, which includes the receiving issuer's financial ability to absorb new enrollment. We encourage any issuer or Department of Insurance with feedback related to these considerations to reach out to CMS as soon as possible to discuss those concerns.

Q2: What is the role of states in implementing these procedures?

States may choose to develop their own suggested alternative plan crosswalks. CMS will allow those crosswalks to be submitted to CMS by September 13, 2016.