

PY27 Cert Training Module 7

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1. Title Slide

1.1 Title Slide

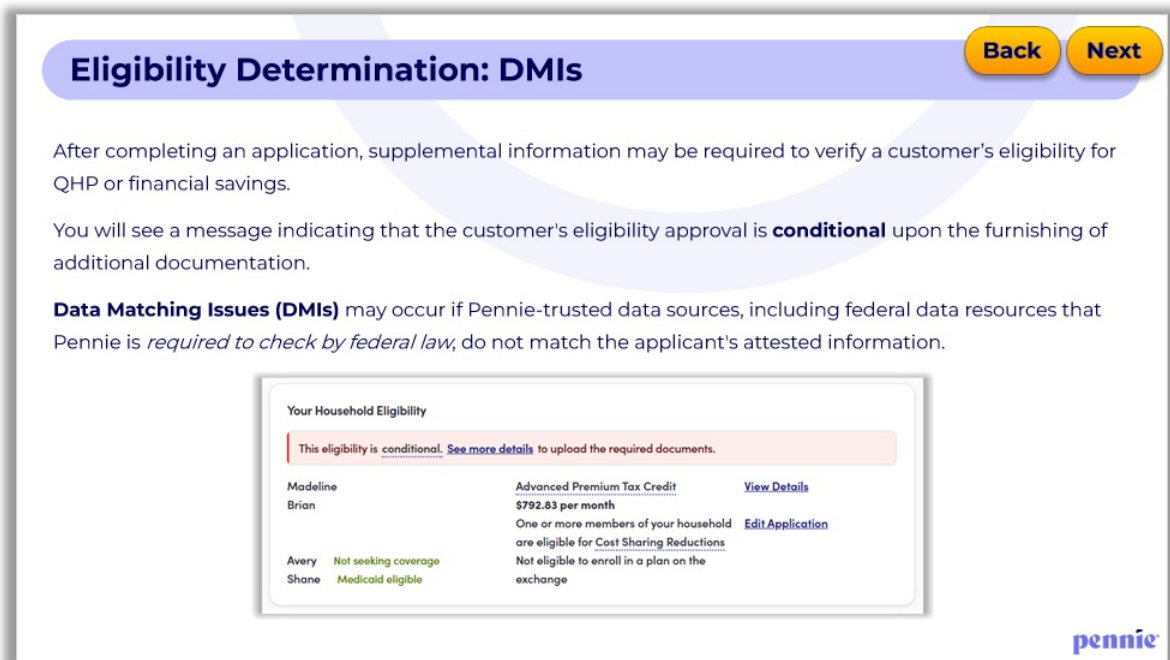


2. Eligibility Data Matching Issues (DMIs)

2.1 Eligibility Data Matching Issues (DMIs)



2.2 Eligibility Determination: DMIs



2.3 Reminder: Eligibility for MA/CHIP

Reminder: Eligibility for MA/CHIP

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Remember, when a customer applies for financial savings, Pennie assesses a customer's potential eligibility for MA/CHIP before determining eligibility for APTC/CSR.

If customers are assessed as potentially eligible for MA/CHIP, their information is transferred to the Pennsylvania DHS for their final eligibility determination.

- If DHS determines an individual is *eligible* for MA/CHIP, DHS will enroll the individual and they will not be eligible for APTC or CSR through Pennie
- If DHS determines an individual *ineligible* for MA/CHIP, Pennie will notify the individual whether that individual can enroll in a QHP and still receive APTC/CSR

Customers may contact DHS directly for more information, or to appeal an MA/CHIP eligibility determination.

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2.4 DMIs: Reasonable Opportunity Period (ROP)

DMIs: Reasonable Opportunity Period (ROP)

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Customers who encounter a DMI are considered "conditionally eligible" until the DMI is resolved. This "conditionally-eligible" period is known as the **Reasonable Opportunity Period (ROP)**.

During the ROP, customers must provide documents that support information which they attested to on their application, but that does not match Pennie-trusted data sources. DMIs will be displayed on the customer's account dashboard and will be included in their eligibility notice.

Customers with one or more DMIs will receive notices asking for supporting documents, examples of what documentation to submit, and the deadline by which they need to be submitted (the end of the ROP).

Customers who do not provide documentation to resolve the DMI before the ROP expires will have adverse action taken on their account. This includes:

- Removal of any APTC and/or CSR they were determined eligible for
- Termination of coverage

Should a customer enroll, have a DMI, and use any APTC during their conditional eligibility period, **all APTC used will be subject to reconciliation when they file their taxes.**

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2.5 DMIs: Reasonable Opportunity Period (ROP)

DMIs: Reasonable Opportunity Period (ROP)

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The **ROP begins on the date the customer submits their application**, and is open for a period of **90 days**.

Once an ROP expires, action can no longer be taken on that application and **the customer will need to reapply during the next OEP**, or by using a SEP due to a valid QLE.

Some examples of DMIs include:

- Projected Annual Household Income ("Income DMI")
- Citizenship/Immigration Status ("Lawful Presence DMI")
- Verification of Social Security Number ("SSN DMI")
- No eligibility for Other Minimum Essential Coverage ("Non-ESI-MEC DMI")

Note: By far, the most frequently-occurring DMI is related to **income verification**. Helping customers report the most current and accurate income documentation to Pennie is essential to avoiding income DMIs.

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2.6 Resolving a DMI

Resolving a DMI

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As their delegate, go to the customer's Pennie account, then:

- Click on the **Upload Documents** link on their Dashboard, or go to the **Application Verification** tab
- Choose the corresponding document type from the drop-down list
- Click the **Choose File** button. Locate the document saved on your computer. Click **Upload** then **Submit**

Pennie will review and determine if the uploaded documentation is sufficient. Check back often for the latest updates and any next steps required.

While uploading documents online is the fastest option for resolving a DMI, the customer may also mail a copy of the documents to Pennie.

Social Security Number (Not Verified)

We could not verify Dan Thomas's Social Security Number entered on the application. You entered: Yes. If this is incorrect, correct it and resubmit your application. If this is correct, upload supporting Verification Documents here.

Learn more about [Approved Verification Documents](#)

Document Name	Document Type	Document Status
SSN.PNG	Social Security Card	SUBMITTED

Select Document Type: Social Security Card

Choose Document to Upload: Choose File SSN.PNG

Submit

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2.7 Resolving a DMI

Resolving a DMI

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When the upload is successful, a check mark will appear next to the file name.

If the customer has other DMIs or verifications requested, repeat these steps for each one. The customer will receive a notice stating that their document(s) is currently under review and if any other action is required. Continue to monitor the status of the application to ensure no additional requests for information are missed.

Note: It is possible that the uploaded documentation is **denied**. Should this happen, **the DMI remains open and different documentation will need to be submitted**. The customer will receive a notice sent to their account inbox if their upload was denied. The notice should also mention a reason why the documentation was denied. If not, or additional clarification is needed, please call Pennie Customer Service and reference the ticket number on the notice. If new supporting documents are not provided before the end of the ROP, **adverse action will still be taken**.

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2.8 Income DMI: Self-attestation Form

Income DMI: Self-attestation Form

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In the event an Income DMI has been opened on a customer's account and the customer is unable to provide documentation illustrating why the income reported is significantly different than the income reported by Pennie's verification sources, the customer can use the **Pennie Income Attestation Form**.

To utilize this method of resolving an Income DMI, customers must:

- Complete the Income Self-attestation Form
- Indicate the reason for the income discrepancy
- Attest to understanding – under penalty for making false statements – their responsibility to accurately represent their projected income and the risk of tax liability if they underestimate their income

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2.9 Annual Income Verification (AIV)

Annual Income Verification (AIV)

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Annual Income Verification (AIV) is a mid-year process where Pennie re-verifies customers' income information to identify any discrepancies and ensure customers are receiving the right amount of financial savings. This is also done to protect customers who may be receiving too much APTC and would otherwise have to repay those dollars on their annual tax return.

Customers who have APTC of at least \$1 and did not already resolve an Income DMI earlier in the plan year are subject to the AIV process. This includes:

- Comparing the household income from the customer's application against the Federal Data Services Hub
- Applying the same comparison rules and thresholds used when generating normal Income DMIs

When an AIV DMI occurs, **the customer only has a 30-day ROP to resolve it.**

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3. Mid-year Income & Enrollment Changes

3.1 Mid-year Income & Enrollment Changes



Mid-year Income & Enrollment Changes

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3.2 Making Mid-year Changes

Making Mid-year Changes

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Any changes to a customer/household account will require an updated application to be submitted. Since there is already enrollment, most of the application will be prefilled using the information from the most recent application.

Here are a few examples of common mid-year changes you may need to assist a customer with:

- Change in income
- Birth, adoption, or court-ordered gain of a dependent
- Move/Change in residence
- Death of a subscriber or dependent

Each of these events are considered Qualifying Life Events (QLE) and would potentially open an SEP. For nearly all SEPs, verifying documentation will be required. Some may also require the customer to shop for plans.

Please refer to the most current [Special Enrollment Period Quick Reference Guide | Pennie.com](#) to familiarize yourself with the reporting requirements and coverage effective dates for the various SEPs.



3.3 Making Mid-year Changes

Making Mid-year Changes

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Should you need to end the coverage for a specific family member, it is critical that you understand the difference between *changing their status to "Not seeking coverage"*, and *removing them from the application*.

The option you choose will impact the rest of the household's enrollment and financial savings eligibility.

The household size for the tax year is used to determine a customer's eligibility for PTC. Therefore, **an incorrect household size will result in a potential tax liability for the customer at the end of the year.**

Is the person a member of tax household for <i>any</i> part of the coverage year?	Is the person seeking coverage through Pennie?	Action	Example
Yes	No	Keep on application; mark as "Not seeking coverage"	• Enrolled in other coverage • Death/Divorce (in current year)
No	No	Remove from application	• Divorce (in prior year) • Death (in prior year)

Note: Customers should consult a tax advisor to determine whether the family member will be considered part of the customer's tax household for the coverage year. **If so, the person should remain on the application as "Not Seeking Coverage."**



3.4 Making Mid-year Changes: Example

Making Mid-year Changes: ExampleBackNext

Scenario 1: Member of household is deceased and will be claimed on taxes	Scenario 2: Member of household is deceased and will not be claimed on taxes
Appropriate action: Keep member on application, and update to "Not Seeking Coverage"	Appropriate action: Remove member from application
From the customer's Dashboard, select Edit Application then go to <i>Household Members</i> page	
Click Remove Member	
Select Member does not need health/dental coverage	Confirm Remove from application , select Death as reason, and enter date of death

Remove Member
Why does **Barbara Bach** need to be removed?*

☐ **Barbara Bach** does not need health and/or dental coverage

☐ Remove **Barbara Bach** from my application

CancelSave & Continue

Remove Member
Please select the reason for removal.*
☒ **Death**
Date of Death*
MonthDayYear
MMDDYYYY
☐ Divorce
☐ Other
CancelSave & Continue

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3.5 Impact of Mid-year Changes on APTC

Impact of Mid-year Changes on APTCBackNext

Since APTC is based on an estimate of household income, it's important that customers report all changes to their household to Pennie **immediately** so their eligibility can be recalculated in attempt to avoid granting more APTC than they are eligible for.

When a customer updates their annual household income mid-year, Pennie recalculates their annual APTC while taking into account how much APTC the customer has already received for the year.

In the following example, we show a family of four who was enrolled from January 1st through June 30th with a reported income of \$60,000. At the end of June, suppose they report an increase in income of \$24,000 for a new total annual income of \$84,000. We will now review how the APTC is affected and how to calculate the new APTC amount.

• January 1 – June 30: \$60,000 annual household income • APTC = \$12,132/year or \$1011/month	• July 1 – December 31: \$84,000 annual household income • APTC = ???
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3.6 Mid-year Income Change Example

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Mid-year Income Change Example

Household of 4; Income of \$60,000		
Step 1: Determine FPL and corresponding percentage of income	HH size: 4 HH income: \$60,000	$\$60,000 = 200.1\text{-}250\% \text{ FPL}$ CSR-04 = 6.78%
Step 2: Determine the family's <i>gross premium</i> for the Second Lowest Cost Silver plan • Note: Enrolling family members only	Enrollee 1 (52 y/o): Enrollee 2 (50 y/o): Enrollee 3 (13 y/o): Enrollee 4 (9 y/o):	\$600/month \$500/month \$225/month \$225/month <u>\$1550/month (\$18,600/yr)</u>
Step 3: Calculate the family's <i>net premium</i> to enroll in the SLCS plan • Multiply the family's annual household income by the FPL income percentage	HH size: 4 HH income: \$60,000 CSR-04: 6.78% of income	$\$60,000 * 6.78\% = \$4068/\text{year}$
Step 4: Calculate the maximum annual Advanced Premium Tax Credit the household is eligible for • Subtract the annual net premium in Step 3 from the SLCS premium in Step 2	SLCS premium – Net Premium = Annual APTC	$\$18,600 - \$4068 =$ \$14,532/yr (~\$1211/month)

Example includes approximations for illustrative purposes; assumes max APTC used each month; enrolled for 12 months.

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3.7 Mid-year Income Change Example

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Mid-year Income Change Example

Household of 4; Income of \$84,000		
Step 1: Determine FPL and corresponding percentage of income	HH size: 4 HH income: \$84,000	$\$84,000 = >300.1\% \text{ FPL}$ CSR-01 = 10.22%
Step 2: Determine the family's <i>gross premium</i> for the Second Lowest Cost Silver plan • Note: Enrolling family members only	Enrollee 1 (52 y/o): Enrollee 2 (50 y/o): Enrollee 3 (13 y/o): Enrollee 4 (9 y/o):	\$600/month \$500/month \$225/month \$225/month <u>\$1550/month (\$18,600/yr)</u>
Step 3: Calculate the family's <i>net premium</i> to enroll in the SLCS plan • Multiply the family's annual household income by the FPL income percentage	HH size: 4 HH income: \$84,000 CSR-01: 10.22% of income	$\$84,000 * 10.22\% = \$8584/\text{yr}$
Step 4: Calculate the maximum annual Advanced Premium Tax Credit the household is eligible for • Subtract the annual net premium in Step 3 from the SLCS premium in Step 2	SLCS premium – Net Premium = Annual APTC	$\$18,600 - \$8584 =$ \$10,016/yr (~\$834.67/month)

Example includes approximations for illustrative purposes; assumes max APTC used each month; enrolled for 12 months.

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3.8 Mid-year Income Change Example

Mid-year Income Change Example

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Calculate how much APTC is available for remainder of the year		
Step 1: Multiply current monthly APTC amount by the number of months of coverage used	Current monthly APTC * # of months used = \$ of APTC used	$\$1211 * 6 \text{ months} = \$7266$
Step 2: Subtract the <i>new annual APTC amount</i> the family is eligible for from the amount of APTC used from Step 1	New Annual APTC – APTC Used = APTC Remaining	$\$8584 - \$7266 = \$1318$
Step 3: Divide amount of APTC remaining from Step 2 by the number of months of coverage left	APTC Remaining / months of coverage left = \$ of APTC/month	$\$1318 / 6 = \sim\$219.67/\text{month}$

Example includes approximations for illustrative purposes; assumes max APTC used each month; enrolled for 12 months.

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3.9 Mid-year Income Change Example

Mid-year Income Change Example

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For the first half of the year, the customer received more APTC than they would be eligible for based on their **updated annual income**.

Therefore, the monthly max APTC for the second half of the year is *lower* to ensure that their total annual APTC received does not exceed their annual eligible amount for their **new reported income**.

	Annual Income	APTC Used (per month)
Jan	\$60,000	\$1211
Feb		\$1211
Mar		\$1211
Apr		\$1211
May		\$1211
Jun	V	\$1211
Jul	\$84,000	\$219
Aug		\$219
Sep		\$219
Oct		\$219
Nov		\$219
Dec	V	\$219
Year End:	\$84,000	\$8580

Example includes approximations for illustrative purposes; assumes max APTC used each month; enrolled for 12 months.

Max Annual APTC = \$10,016

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4. Termination of Coverage & Non-payment Termination

4.1 Termination of Coverage & Non-payment Termination



4.2 Termination of Coverage

Termination of Coverage

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Termination of a plan refers to ending the coverage of an active policy before it's predefined expiration date, whereas **cancellation** refers to ending a plan before the coverage period ever begins (also known as "voiding" the policy). Termination is done *prospectively* while cancellation can be *immediate* or *retroactive*.

Customers can end their coverage at any time without an SEP, and can choose from two prospective dates:

- The last day of the month in which the termination is requested
- The last day of the month following the month of the request (the end of month after)

To submit a termination/cancellation request, customers can:

- Click the **Cancel Coverage** button on the **My Enrollments** tab of their account
- Call Pennie Customer Service

Note: Customers terminating their coverage will still need to make their usual monthly premium payments through the end of the month in which they terminate coverage. If they don't, the insurer has the right to retroactively terminate the policy due to non-payment of premium.

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4.3 Non-payment Termination

Non-payment Termination

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After the binder payment is made and coverage has been effectuated, customers who receive APTC have a **three-month grace period** before their enrollment can be terminated due to non-payment of premium.

The insurer must continue to pay claims during the first month of the grace period. However, they may delay payments for any claims made in the second and third months until the customer pays any overdue premiums.

If premiums have not been paid in full after the third month of the grace period, **coverage is terminated retroactively to the end of the first month of the grace period.**

Any claims incurred and paid by the insurer on the customer's behalf during the second and third months of the grace period will be billed directly to the customer who will then be responsible for paying them.

Customers terminated for non-payment will have to wait until OEP to re-enroll unless they have a valid QLE.

Example: January 1st Coverage Start Date (with APTC)

- January: Paid in full (binder payment)
- February: Missed payment (1st month of grace period)
- March: Missed payment (2nd month of grace period)
- April: Missed payment (3rd month of grace period)
- End of April: **Coverage terminated retroactive to February 28th** (end of 1st month of grace period)

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4.4 Non-payment Termination

Non-payment Termination

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After the binder payment is made and coverage has been effectuated, customers who do not receive APTC have a **one-month grace period** before their enrollment can be terminated due to non-payment of premium.

If premiums have not been paid in full after the one-month grace period, coverage is terminated retroactively to the end of the last month paid in full.

Again, customers terminated for non-payment will need to re-enroll with a valid QLE and SEP, or during OEP.

Example: January 1st Coverage Start Date (no APTC)

- January: Paid in full (binder payment)
- February: Missed payment (1st month of grace period)
- End of February: **Coverage terminated retroactive to January 31st** (end of last month paid in full)

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5. Final Slide

5.1 Final Slide

