

**Issuer Guidance for Handling 2015 Unaffiliated Issuer Enrollments  
and  
Clarification to Section V of Bulletin 16: Guidance for Issuers on 2016 Reenrollment in the  
Federally-Facilitated Marketplaces (FFMs)<sup>1</sup>**

Date: December 4, 2015

**I. Purpose**

The purpose of this document is to provide guidance to Qualified Health Plan (QHP) issuers that offer plans through the Federally-facilitated Marketplaces (FFMs) and State-Based Marketplaces that rely on the federal platform for their eligibility and enrollment activities (SBM-FPs)<sup>2</sup> on how to establish 2016 coverage for 2015 Unaffiliated Issuer Enrollments (also known as “Issuer Orphans”). This bulletin also clarifies the guidance in Section V of *Bulletin 16: Guidance for Issuers on 2016 Reenrollment in the Federally-facilitated Marketplace (FFM)*.<sup>3</sup>

**II. Background**

FFMs regularly reconcile FFM enrollment records with enrollment records of QHP and Stand-Alone Dental Plan (SADP) issuers pursuant to 45 CFR 155.400(d) and 45 CFR 156.265(f). Through the processes the FFMs have established for enrollment reconciliation, FFMs identify enrollments that appear as active enrollments in the issuer’s records but do not appear as active enrollments in FFMs’ enrollment records. These enrollments are referred to as “Unaffiliated Issuer Enrollments.” Since Unaffiliated Issuer Enrollments appear as active enrollments in issuers’ systems, issuers collect premiums from and provide coverage to consumers in these enrollment groups. However, because Unaffiliated Issuer Enrollments do not appear as active enrollments in the FFMs’ enrollment records, FFMs cannot passively reenroll Unaffiliated Issuer Enrollments into future year coverage.<sup>4</sup>

**III. Guidance on Establishing 2016 Coverage for 2015 Unaffiliated Issuer Enrollments**

To ensure that FFMs have accurate records of all consumers enrolled through the FFMs and to prevent the perpetuation of Unaffiliated Issuer Enrollments in the 2016 plan year, FFMs will not re-enroll 2015 Unaffiliated Issuer Enrollments in 2016 coverage through the FFMs, and issuers should not re-enroll Unaffiliated Issuer Enrollments existing at the end of plan year 2015 into coverage through the FFMs for 2016 or consider 2015 Unaffiliated Issuer Enrollments to be enrolled through the FFMs for the 2016 plan year. However, issuers must take the steps

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<sup>1</sup> Unaffiliated Issuer Enrollments are also known as “Issuer Orphans.”

<sup>2</sup> All references to FFMs in this document incorporate SBM-FPs.

<sup>3</sup> Available at

[https://www.regtap.info/uploads/library/ENR\\_2016AutoReenrollmentBulletin16\\_v2\\_5CR\\_082515.pdf](https://www.regtap.info/uploads/library/ENR_2016AutoReenrollmentBulletin16_v2_5CR_082515.pdf).

<sup>4</sup> A passive reenrollment, also called an “auto-reenrollment,” “Batch Auto-Reenrollment,” or “BAR,” is a reenrollment initiated by an FFM to continue QHP coverage through an FFM for current enrollees who do not return to an FFM to submit an application and select a plan by the deadline to select coverage beginning January 1 of the next plan year.

necessary to comply with applicable guaranteed renewal requirements under 45 CFR 147.106 and any applicable state law, including renewing or continuing in force coverage at the consumer's option in a manner not considered to be through the FFM. In addition, issuers must provide affected consumers with termination notices as required by 45 CFR 156.270(b)(1) stating that the enrollee is no longer eligible for coverage in a QHP through the FFM because the FFM does not have sufficient information to determine that the enrollee is eligible for enrollment through the FFM. Issuers are also encouraged to inform affected enrollees that, to have 2016 coverage through the FFM, they must return to the FFM to apply for and enroll in 2016 coverage through the FFM.

In order to assist affected enrollees in maintaining enrollment through the FFMs, FFMs will attempt to reach out to affected consumers to encourage them to return to their FFM, via HealthCare.gov or the Marketplace Call Center, to complete a 2016 Marketplace enrollment application and select a plan for January 1, 2016, coverage. The FFMs will coordinate outreach with FFM issuers, who are encouraged to participate in the outreach campaign.

Affected consumers who are qualified individuals (QIs) *may* qualify for a Special Enrollment Period (SEP) to enroll in 2016 coverage through their FFM. In some cases, and at the discretion of the FFM, the consumer will be eligible to select a retroactive January 1, 2016, effective date. In those instances, the Centers for Medicare & Medicaid Services (CMS) will generate a Health Insurance Casework System (HICS) case to the issuer directing the issuer to apply the January 1, 2016, effective date. These cases will be recorded in the "Plan and Issuer Concerns" category and "Special Enrollment Period (Issuer Action Required)" subcategory of HICS and will include the following language in the case narrative: "SEP—Consumer is a 2015 unaffiliated issuer enrollment (issuer orphan) or 2016 missing enrollment and is eligible for a retroactive January 1, 2016, effective date. Please provide a January 1, 2016, effective date." Issuers should report the adjusted retroactive effective date in the issuer's reconciliation files.

#### **IV. Clarification of Section V of Bulletin 16 ("Missing" Reenrollments)**

Section V of Bulletin 16 describes the process for issuers to identify and resolve enrollments that appear to be missing after the FFMs have completed Batch Auto-Reenrollment (BAR). That guidance does not apply to 2015 Unaffiliated Issuer Enrollments; it applies only to enrollments with active 2015 coverage recorded in FFM systems that are eligible for passive reenrollment. The guidance in this document clarifies and supersedes any conflicting guidance in Bulletin 16.

As discussed in Bulletin 16, FFMs will implement BAR in two waves. The first wave ended on November 10, 2015, and the second wave will begin around December 16, 2015. Since FFMs will begin the second wave of BAR around mid-December 2015, issuers will likely send January 2016 bills before receiving passive reenrollments for some 2015 enrollees. Issuers that do not receive a passive reenrollment for an active 2015 enrollee before the issuer's regular January 2016 billing cycle should include the enrollee's 2015 advance payments of the premium tax credit (APTC) amount on the enrollee's January 2016 bill and clearly note that the APTC amount is an estimate.

For enrollments that appear to be missing after the FFMs complete the second wave of BAR, issuers should follow the steps outlined in Section V of Bulletin 16 to determine whether the enrollment was received by the issuer or the subscriber terminated 2015 coverage, cancelled 2015 or 2016 coverage, or enrolled in 2016 coverage with a different issuer. After following those steps, if the issuer expected but cannot locate a 2016 passive reenrollment transaction for a 2015 enrollee, the issuer should follow the process discussed in Section III of this publication. Issuers should not include non-renewed consumers in issuers' Inbound 2016 Enrollment Data Reconciliation (RCNI16) files.

Since issuers would have already sent affected consumers a January 2016 bill, issuers should, in a timely manner, refund any payments received from affected consumers for January 2016 coverage.

As with 2015 Unaffiliated Issuer Enrollments, the FFMs intend to reach out to affected consumers. To help validate the accuracy of the outreach roster for newly-created Unaffiliated Issuer Enrollments, the FFMs are requesting that issuers compile a report of 2015 enrollees for which the issuer expected but cannot locate a 2016 passive reenrollment transaction and submit that list to the FFMs.