

American Rescue Plan

Individual Tax Credit and
Special Enrollment Period
Resource Guide

Agenda

American Rescue Plan: Overview of Enhanced Tax Credits

Special Enrollment Periods and Tax Credit Implementation

- Federal Exchange State Details
- State-Based Exchange (SBE) Details

Transfer of Accumulators

COBRA Impacts

Individual, Member and Broker-Facing Efforts

Anthem Individual Broker Resource Site Reminder



American Rescue Plan

Enhanced Tax Credits: An Overview

President Biden signed the American Rescue Plan (ARP) into law on March 11, 2021. Health and Human Services (HHS) implemented the enhanced tax credits on April 1 for the Federally Facilitated Exchange (FFE) states and the State Based Exchange – Federal Platform (SBE-FP) states that operate on healthcare.gov.

Enhances existing Affordable Care Act (ACA) Advanced Premium Tax Credits (APTCs) for the 2021 and 2022 benefit years

- Fully subsidizes the second lowest cost silver plan for individuals with incomes up to 150% of the Federal Poverty Level (FPL).
- Enhances the APTC sliding scale for those above 150% FPL and eliminates the 400% FPL eligibility ceiling; as income approaches 400% FPL, individuals would pay no more than 8.5% of income instead of existing ceiling of 9.83%.

Fully subsidizes existing ACA coverage for individuals receiving unemployment insurance (UI): 2021 only

- If an individual receives UI for at least one week in 2021, they would be treated as if they had an income of 133% FPL for purposes of determining APTC eligibility, which would provide access to a 94% actuarial value cost-sharing reduction plan with premiums as low as \$0. Premium amount is dependent on state.
- Those seeking to have their APTC determined based on UI must submit an attestation and documentation as determined by the HHS Secretary.

Federal Special Enrollment Period

Available in the following Anthem states:

Georgia

Maine

Ohio

Indiana

Missouri

Virginia

Kentucky

New Hampshire

Wisconsin

- Runs from February 15 – August 15, 2021.
- Available to all eligible individuals submitting new applications and current enrollees who want to change plans in response to enhanced subsidies under the ARP.
- Allows current enrollees to shop and select a new plan with no limitations; enrollees may select any type of plan at any metal level and may switch plans more than once.
- Individuals may complete the healthcare.gov application, receive an eligibility determination, and wait up to 30 days before making a plan selection to finalize their enrollment.
 - Those who apply on the last day of SEP (August 15) will still have 30 days to pick a plan.
- Provides for prospective coverage starting the first of the month following plan selection.
- Does not require enrollees to provide documentation of any qualifying event.
- Provides for an on- and off-Exchange SEP in the above states, except:
 - Indiana, where only dental and vision is offered off-Exchange (off-Exchange SEP for Medical is by paper only).

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Implementation of Enhanced Tax Credits: Federal Exchange Slide 1 of 2

New enrollees*

Those who submit an application and select a plan on or after April 1 will automatically receive the increased premium tax credits for 2021 on-Exchange coverage.

Current enrollees*

- Beginning April 1, current enrollees should submit an application update to receive an updated eligibility determination.
- **HealthCare.gov will NOT automatically update subsidy amounts** for current Exchange enrollees, including those who recently enrolled through the 2021 Federal SEP. HHS is exploring whether it may be able to automatically update APTC amounts for current enrollees in the future, but there is no timeframe for doing so.
- Updates to APTC generally take effect with the next month's premium bill (e.g. updated plan selections made on or before April 30 will result in APTC increases effective May 1).
- The Exchange will not be providing retroactive APTC for months prior to May 2021, but enrollees may obtain these amounts when they file their 2021 federal income tax returns.
- Current enrollees who do not return to the Exchange to reselect their plans may obtain the additional tax credit amount when they file and reconcile their 2021 taxes in 2022.
 - Note: Off-Exchange enrollees are not eligible for APTC.

*State-based Exchanges (SBEs) are developing implementation plans for the portions of the law which impact individuals seeking health coverage through the Exchange, as well as existing Exchange membership. Anthem will share further details as the SBEs release additional information.

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Implementation of Enhanced Tax Credits: Federal Exchange Slide 2 of 2

Individuals Receiving Unemployment Insurance (UI)*

- Extra tax credits available to individuals who received UI for at least one week during 2021 will not be available until early July. However, HHS encourages individuals receiving UI to apply and select a plan beginning April 1 to obtain the benefit of additional tax credits unrelated to UI that may be available to reduce their premiums for the remainder of the year.
- Individuals must attest to having received or having been approved to receive unemployment compensation for any week beginning during 2021 and must meet other APTC eligibility requirements.
- Individuals will need to provide documentation to the Internal Revenue Service (IRS) of the unemployment compensation when they file their taxes for 2021.
- Individuals who meet the criteria will also be eligible for cost-sharing reductions (CSRs).

Individuals Previously Terminated for Non-Payment or Already in Grace Period*

- Individuals previously terminated for non-payment or are already in a grace period are potentially eligible for an SEP.
 - There is no change to the premium payment policy during the SEP.
 - Whether a carrier must accept an SEP enrollment on behalf of an enrollee whose coverage is being terminated depends on whether the transaction meets the “continuous enrollment test.”
 - SEP enrollments that don’t meet the continuous enrollment test must be effectuated, provided that the required binder payment is made.
 - Carriers that have previously adopted a policy of attributing payments first to recent past due premium before attributing them to any required binder payment, and then effectuating coverage until the binder payment is made may continue to do so.
 - Information on continuous enrollment can be found [here](#). See section 7.3.3.

*State-based Exchanges (SBEs) may tailor certain aspects of tax credit implementation, including but not limited to UI and the treatment of individuals in grace periods. Anthem will share further details as the SBEs release additional information.

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California: Special Enrollment Periods and Implementation of Enhanced Tax Credits



Special Enrollment Periods

- Covered California's current Special Enrollment Period (SEP) runs February 1 – May 15, 2021.
- The “new” American Rescue Plan SEP (ARP SEP) runs April 12 – December 31, 2021.
 - Covered California has advised that individuals may only purchase on-Exchange plans during the ARP SEP.



Advanced Premium Tax Credit (APTC) Adjustments

- Covered California will automatically update APTC amounts to reflect the enhanced tax credits for both new and current enrollees.
 - Current enrollees will receive the new APTC amounts beginning May 1.
 - New enrollees and enrollees moving from off-Exchange to on-Exchange coverage will receive the new APTC on the first of the month following the month in which they enroll.
- Additional APTC for individuals receiving unemployment insurance for at least one week in 2021 will be available later this summer.



Shopping Options

- Product changes are allowed between carriers on-Exchange only.
- Deductible and out-of-pocket accumulators will only transfer when members switch between Anthem plans (see slide 12 for more information).

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Colorado: Special Enrollment Periods and Implementation of Enhanced Tax Credits



Special Enrollment Periods

- Connect for Health Colorado's Uninsured Special Enrollment Period (SEP) ran February 8 – April 14, 2021.
- The “new” expanded Open Enrollment SEP runs April 15 – August 15, 2021.



Advanced Premium Tax Credit (APTC) Adjustments

- Enrollee must select “Uninsured, will lose or lost health insurance, or would like to enroll in a new plan” qualifying life event (QLE) option.
- Carriers may not require additional verification or attestation.
- Beginning May 15, Connect for Health Colorado intends to allow customers receiving APTC or who have previously applied for APTC to submit a shorter application without selecting a QLE.
- New enrollees and current enrollees who change plans will receive the new APTC on the first of the month following plan selection and full completion of an application.
- Current enrollees who update their information but do not change plans will receive the new APTC on the first of the month following the date of eligibility redetermination.
- Additional APTC for individuals receiving unemployment insurance for at least one week in 2021 became available on April 21, and is limited to on-Exchange plans.



Shopping Options

- Product changes are allowed between carriers both on- and off-Exchange.
- Deductible and out-of-pocket accumulators will only transfer when members switch between Anthem plans (see slide 12 for more information).

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Connecticut: Special Enrollment Periods and Implementation of Enhanced Tax Credits



Special Enrollment Periods

- Access Health CT's (AHCT) Uninsured Special Enrollment Period (SEP) ran February 15 – April 15, 2021.
- The “new” SEP runs May 1 – August 15, 2021.
 - Access Health CT has advised that individuals may only purchase on-Exchange plans during the new SEP.



Advanced Premium Tax Credit (APTC) Adjustments

- Current enrollees can begin applying for the new APTC amounts beginning May 1.
- New enrollees and enrollees moving from off-Exchange to on-Exchange coverage will receive the new APTC on the first of the month following the month in which they enroll.
- AHCT will try to update enhanced APTC automatically (passively) beginning in July.
- AHCT will contact current members in early June to advise if they can apply for enhanced APTC automatically.
- Additional APTC for individuals receiving unemployment insurance for at least one week in 2021 is expected to be available in July.



Shopping Options

- Product changes are allowed between carriers on-Exchange only.
- Deductible and out-of-pocket accumulators will only transfer when members switch between Anthem plans (see slide 12 for more information).
- Current enrollees who want to change plans **must** call AHCT.

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Nevada: Special Enrollment Periods and Implementation of Enhanced Tax Credits



Special Enrollment Periods

- Nevada Health Link's original Open Enrollment (OE) Special Enrollment Period (SEP) ran from February 15 – April 19, 2021.
- The new OE SEP runs from April 20 – August 15, 2021.
- Anthem is working to confirm whether the current OE SEP is limited to on-Exchange shopping. We will update this presentation as more information is officially released.



Advanced Premium Tax Credit (APTC) Adjustments

- New and current enrollees could begin applying for the new APTC amounts beginning April 20, 2021.
- New enrollees will receive the new APTC on the first of the month following the month in which they enroll.
- Anthem is working to confirm if on-Exchange plan changes made by the 15th of the month are effective the 1st of the following month. We will update this presentation as more information is officially released.



Shopping Options

- Product changes are allowed between carriers. Anthem is working to confirm whether this applies to both on- and off-Exchange, or is limited to on-Exchange. We will update this presentation as more information is officially released.
- Deductible and out-of-pocket accumulators will only transfer when members switch between Anthem plans (see slide 12 for more information).

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New York: Special Enrollment Period and Implementation of Enhanced Tax Credits



Special Enrollment Period

- New York State of Health (NYSOH) is extending its existing open enrollment period through December 31, 2021.



Advanced Premium Tax Credit (APTC) Adjustments

- New and current enrollees could begin applying for the new APTC amounts beginning April 1, 2021.
- New York plans to begin passively (automatically) updating APTC for current enrollees beginning May 1, 2021.
- New enrollments and APTC changes for applications enrolled by the 15th of the month are effective the first of the following month.
- Additional APTC for individuals receiving unemployment insurance for at least one week in 2021 is expected to be available in June.



Shopping Options

- Product changes will be allowed between carriers both on- and off-Exchange (off-Exchange available through paper application only).
- Deductible and out-of-pocket accumulators will only transfer when members switch between Anthem plans (see slide 12 for more information).

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Implementation of Enhanced Tax Credits: Transfer of Accumulators

HHS affords discretion to issuers whether to transfer amounts already accumulated toward enrollees' deductibles and out-of-pocket maximums, if they change plans during the 2021 SEP. They also advise enrollees to check with their insurance company to see how switching plans might impact them.

Anthem will transfer accumulators when members switch between Anthem plans (including switches between off- and on-Exchange plans) provided there is no gap in coverage and the subscriber remains the same.

The transfer of accumulators applies only when members switch between Anthem Individual plans and does not apply when a member switches from any other type of Anthem plan, including a group or student plan, to an Individual plan.

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COBRA Impacts

Under the ARP, individuals who are eligible for COBRA coverage and elect COBRA coverage because of their own or a family member's reduction in hours or an involuntary termination from employment, may be eligible for a full premium subsidy that covers the entire cost of COBRA.

- Under the ARP, "COBRA" includes both COBRA and state continuation coverage.
- The COBRA premium subsidy is available from April 1 until September 30, 2021.
- Individuals who were offered COBRA and declined to elect COBRA at that time, or elected COBRA and later discontinued it, may have another opportunity to elect COBRA coverage and get the full premium subsidy, if they are still within the period of time that they could have had COBRA coverage.
- This extended election period does not extend the period of COBRA continuation coverage beyond the original maximum period (generally 18 months from the individual's reduction in hours or involuntary termination).

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COBRA Notices and Important Considerations

Notices

- Individuals eligible for the extended COBRA election period will receive a notice within 60 days of April 1, 2021. The notice will provide additional detail about the premium assistance and how to request it.
- Individuals have 60 days after they are provided the notice to elect COBRA.
- Requires group health plans to provide a Notice of Expiration of Period of Premium Assistance to individuals whose premium assistance is ending (whether due to the expiration of their COBRA continuation coverage or the expiration of the period of premium assistance), explaining that the premium assistance will expire soon; the date of expiration; and an explanation of available coverage options.
 - This notice is not required for individuals whose premium assistance is ending because they became eligible for another group health plan* or Medicare.
 - This notice must be provided within the period that is 15 to 45 days before the date of expiration.

Important considerations

- Eligibility for Medicaid, or eligibility for Exchange coverage, does not make individuals ineligible for COBRA or for the premium subsidy.
- Individuals who are or become eligible for other group health coverage*, such as through a new employer's plan or a spouse's plan or who are eligible for Medicare, **are not eligible for the premium subsidy**.
- Individuals receiving the COBRA premium subsidy must notify their plan if they become eligible for coverage under another group health plan* or for Medicare. Failure to do so can result in a tax penalty.

Individual, Member and Broker-Facing Efforts

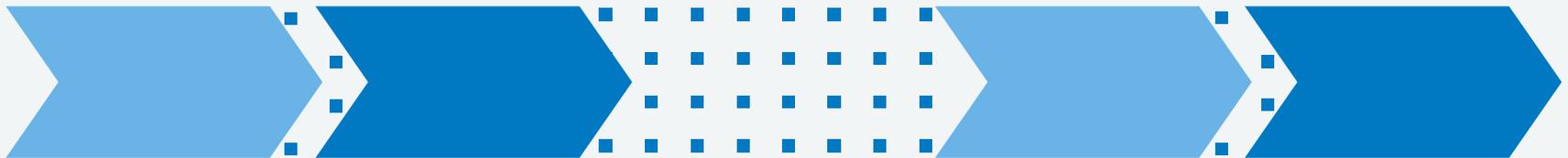
Marketing Campaign Efforts

Anthem is driving awareness and interest to eligible individuals through multiple marketing campaigns in key geographies in California beginning February 1 through June 30.

Member Communication Efforts

Messaging to current Anthem enrollees will:

- › Inform existing ACA off-Exchange membership that they may now qualify for subsidized on-Exchange coverage and how to explore Anthem plan options, including a plan upgrade.



Anthem.com/CA Homepage + Individual & Family Messaging

Anthem.com/CA homepage and Individual and Family pages are continually being refreshed with timely messaging. Updates will include enhanced financial assistance content and Special Enrollment Period extension reminders, as released.

Broker Communications

Includes Producer Online News alerts, messaging on individualbrokers.com, producerresponse.com, and Producer Toolbox (website and app).

Anthem is here
to support **you.**

Visit our Individual and Family
Broker Resource site today at

www.individualbrokers.com

Thank you.

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