

Title 14 INDEPENDENT AGENCIES

Subtitle 35 MARYLAND HEALTH BENEFIT EXCHANGE

Chapter 14 [Eligibility Standards for Enrollment in Qualified Health Plans, Advance Payments of the Premium Tax Credit, and Cost-Sharing Reductions] *Termination, Cancellation and Rescission of Qualified Health Plan*

Authority: [Insurance Article, §§31-106 and 31-108, Annotated Code of Maryland] Section 7, Chapter 159, 2013 Laws of Maryland;
Insurance Article §§ 31-106(c)(1)(iv);31-108(b)(1); 31-108(b)(6), Annotated Code of Maryland

.01 Scope.

[This chapter sets forth the eligibility standards for enrollment in qualified health plans, advance payments of the premium tax credit, and cost-sharing reductions.] *This chapter describes the events that may result in the termination, cancellation or rescission of the enrollment of an individual enrolled in a qualified health plan through Maryland Health Connection.*

.02 Definitions.

A. In this chapter, the following terms have the meanings indicated.

B. Terms Defined.

(1) “Advance payments of the premium tax credit” means payment of the federal tax credits specified in §36B of the Internal Revenue Code (as added by §1401 of the Affordable Care Act) which are provided on an advance basis to an eligible individual enrolled in a qualified health plan through an Exchange in accordance with §1412 of the Affordable Care Act.

(2) “Affordable Care Act” means the Patient Protection and Affordable Care Act, Pub. L. 111-148, as amended by the Health Care and Education Reconciliation Act, Pub. L. 111-152.

(3) “Catastrophic plan” means a qualified health plan described in §1302(e) of the Affordable Care Act.

(4) “Cost-sharing reductions” means reductions in cost sharing, including, but not limited to, reductions in out-of-pocket limits, for an eligible individual enrolled in a silver level plan in the Exchange or for an eligible individual who is an Indian enrolled in a qualified health plan through the Exchange.

(5) “Indian” has the meaning set forth under 45 CFR. §155.300.

(6) “Maryland Health Benefit Exchange” has the meaning set forth in Insurance Article, §31-101(e), Annotated Code of Maryland.

(7) “Qualified Health Plan” has the meaning set forth in Insurance Article, §31-101(r), Annotated Code of Maryland.]

(1) “Cancellation” means an action that ends a qualified individual's enrollment through the Exchange on the date such enrollment became effective resulting in enrollment through the Exchange never having been effective.

(2) “Termination” means an action taken after a coverage effective date that ends an enrollee's enrollment through the Exchange for a date after the original coverage effective date resulting in a period during which the individual was enrolled in coverage through the Exchange.

(3) “Reinstatement” means a correction of an erroneous termination or cancellation action and results in restoration of an enrollment with no break in coverage.

.03 [Eligibility Requirements for Enrollment in a Qualified Health Plan.]

Terminations In General.

[The Maryland Health Benefit Exchange shall determine an applicant’s eligibility for enrollment in a qualified health plan based on the criteria set forth under 45 CFR.

§155.305(a).]

A. Each enrollee may terminate enrollment in a qualified health plan without affecting the enrollment status of the enrollee's household or each individual member of the enrollee's household other than the enrollee.

B. A carrier shall honor an individual enrollee's request to terminate coverage under Regulation .04 of this chapter or the Exchange's termination determination under Regulation .05 of this chapter without affecting the status of any other member of the individual enrollee's household.

C. A carrier shall maintain records of termination of enrollment in a QHP in the format specified by the Exchange in an electronic data interchange format for a period of ten years.

D. A carrier shall make reasonable accommodations for all individuals with disabilities (as defined by the Americans with Disabilities Act), including head-of-household and non-head-of-household enrollees, before terminating the individual's enrollment.

E. A carrier shall send an electronic transmission to the Exchange documenting each termination of coverage carried out under this chapter, including information about the reason for termination.

F. In cases of retroactive termination dates, the carrier shall accept the Exchange's adjusted calculations of advance payments of the premium tax credit, cost-sharing reductions, and premiums.

.04 [Eligibility for Qualified Health Plan Enrollment Periods.] *Enrollee-Initiated Terminations.*

[The Exchange shall determine an applicant eligible for an enrollment period if he or she meets the criteria for an annual enrollment period, as specified in 45 CFR §155.410, or for a special enrollment period, as specified in 45 CFR §155.420 and the Maryland Health Benefit Exchange's Procedures on Eligibility and Enrollment — Special Enrollment Periods.]

A. An enrollee may terminate the enrollee's coverage in a qualified health plan at any time and may direct the date of termination if the enrollee provides notice to the Exchange or to the carrier at least 14 days prior to the requested termination date.

B. Date of terminations:

(1) If the enrollee provides notice to the Exchange or the carrier at least 14 days in advance of the requested date, the date of termination is the date specified by the enrollee;

(2) If the enrollee requests a termination date prior to 14 days in advance of the requested date, and the carrier:

(a) Agrees to effectuate termination in fewer than 14 days, the date of termination is any date requested by the enrollee between the requested date and thirteen days after that date; or

(b) Disagrees to effectuate termination in fewer than 14 days, the date of termination shall be no later than 14 days after the termination is requested by the enrollee.

(3) If an enrollee does not provide at least fourteen days' notice to the Exchange or the carrier, the date of termination shall be effective no later than 14 days after the termination is requested by the enrollee.

C. If an enrollee voluntarily terminates coverage in one qualified health plan because the enrollee elects enrollment in a different qualified health plan, coverage in the original qualified health plan ends at midnight the day before the effective date of coverage in the enrollee's new qualified health plan.

D. If the authorized representative of an enrollee under COMAR 14.35.11.14 initiates termination because of the enrollee's death, the effective date of the termination is the date of death.

.05 [Eligibility Requirements for Advance Payments of the Premium Tax Credit.]

Termination by the Exchange.

[The Maryland Health Benefit Exchange shall determine a tax filer's eligibility for advance payments of the premium tax credit based on the criteria set forth under 45. CFR §155.305(f) and 26 CFR §1.36B-2.]

A. A carrier shall terminate an enrollee's coverage in a qualified health plan upon receiving an electronic data transaction from the Exchange directing that the enrollee's coverage be terminated.

B. At the time of plan selection, the enrollee may choose to remain enrolled in a qualified health plan if the enrollee becomes eligible for other minimum essential coverage but does not request termination in accordance with Regulation .04 of this chapter.

C. If the enrollee does not choose to remain enrolled in the qualified health plan through the Exchange when the enrollee becomes eligible for other minimum essential health coverage under §B of this regulation, the Exchange shall initiate termination of

the enrollee's coverage upon completion of the redetermination process specified in 45 CFR §155.330.

D. Upon termination by the Exchange, the last day of coverage by a qualified health plan is:

(1) The last day of the enrollee's eligibility, if the Exchange determines an enrollee to be no longer eligible for coverage in a qualified health plan through the Individual Exchange;

(2) The last day of the coverage month in which coverage is rescinded, if the enrollee's coverage is rescinded in accordance with 45 CFR §147.128;

(3) The last day of the coverage month in which the qualified health plan is terminated or decertified, if the qualified health plan terminates or, as described in 45 CFR §155.1080, is decertified;

(4) The last day of the coverage month in which the enrollee is determined newly eligible for enrollment in Medicaid or MCHP, inclusive of any retroactive eligibility months, if the enrollee chooses to enroll in Medicaid or MCHP; or

(5) The date of death, if the enrollee is terminated because of the enrollee's death.

.06 [Eligibility Requirements for Cost-Sharing Reductions.] Termination by Carrier.

A. [The Maryland Health Benefit Exchange shall determine an applicant's eligibility for cost-sharing reductions based on the criteria set forth under 45 CFR §155.305(g).] A carrier may only terminate an individual's coverage in a qualified health plan before receiving an instruction from the Exchange to terminate coverage:

(1) If the enrollee requests voluntarily termination of the enrollee's enrollment to the carrier, the termination shall follow the procedures in Regulation .04 of this chapter; or

(2) For nonpayment of premiums as specified in §B of this regulation.

B. [Where an applicant is an Indian, the Maryland Health Benefit Exchange shall determine the applicant's eligibility for any cost-sharing reductions based on the criteria set forth under 45 CFR §155.350.] *Termination for nonpayment.*

(1) A carrier may terminate coverage for nonpayment of premium under the following circumstances:

(a) The enrollee has not made applicable premium payments;

(b) If the enrollee is receiving advance payments of the premium tax credit, only if the three-month grace period under Insurance Article, §31-115(c) through (e), Annotated Code of Maryland, has been exhausted; and

(c) All other applicable grace periods have been exhausted.

(2) A carrier may not terminate coverage for nonpayment of premium for failure to make a binder payment if the enrollee maintains coverage in the same qualified health plan through a renewal of the plan under 45 CFR §155.335.

(3) The last day of coverage is:

(a) the last day of the first month of the three-month grace period when terminating an individual after exhaustion of the three-month grace period for individuals receiving advance payments of the premium tax credit; and

(b) 31 days after the missed premium payment was due when terminating an individual after the exhaustion of any other applicable grace period.

C. *Termination for reasons other than nonpayment.*

(1) The carrier may terminate an enrollee's coverage if the carrier ceases to offer that coverage through the Exchange under 45 CFR §147.106(b)(4), (c) and (d), or is decertified;

(2) The carrier may terminate an enrollee's coverage in cases of fraud under 45 CFR §147.106(b)(2);

(3) The carrier may terminate an enrollee's coverage when the enrollee moves outside of the service area under 45 CFR §147.106(b)(5);

(4) The carrier may terminate an enrollee's coverage when the enrollee's coverage is rescinded under 45 CFR §147.128; and

(5) The carrier may terminate an enrollee's coverage when the enrollee moves from one qualified health plan to another.

.07 [Eligibility Requirements for Enrollment in a Catastrophic Plan.] Cancellation.

[The Maryland Health Benefit Exchange shall determine an applicant's eligibility for enrollment in a catastrophic plan based on the criteria set forth under 45 CFR §155.305(h).]

A. An individual's enrollment in a QHP may be cancelled only:

(1) If the enrollee requests voluntarily cancellation of the enrollee's enrollment to the Exchange or the carrier under §C of this regulation; or

(2) by the carrier, if an enrollee or enrollment group does not provide the first month's premium required to effectuate an enrollment by the due date specified at 45 CFR §155.400(e) and COMAR 31.10.28.05A and B.

B. The Exchange shall not cancel an individual's enrollment unless requested by an individual or carrier under §A of this regulation.

C. To request cancellation of the individual's enrollment, the individual shall notify the Exchange or the carrier of the request to cancel on or before the premium due date specified at 45 CFR §155.400(e) and COMAR 31.10.28.05A and B.

.08 Reinstatement.

A. An individual's enrollment shall be reinstated:

(1) if applicable, under Insurance Article, §15-210, Annotated Code of Maryland;

(2) if the Exchange determines an error was made by the Exchange that led to an improper termination or cancellation;

(3) if the carrier determines an error was made by the carrier that led to an improper termination; or

(4) if the Exchange is ordered to reinstate the enrollee by the Maryland Insurance Administration, Office of Administrative Hearings, or a state or federal court.

B. If the carrier erroneously terminates or cancels an enrollee's coverage, including if the coverage was terminated or cancelled for non-payment of premiums, a carrier shall process a reinstatement without requiring action by the Exchange.

.09 Sanctions.

A carrier that fails to follow the requirements of this chapter may be denied certification, have their certification suspended or revoked, or be subject to other penalties under Insurance Article, §31-115(k), Annotated Code of Maryland, and COMAR 14.35.19.14.