



HEALTHCARE ADVISORY

CMS Proposes New Rules for ACA Marketplaces

The Trump administration is proposing new ACA marketplace rules for next year, while it also weighs a policy change that could make reenrollment more challenging.

CMS is considering changing the automatic reenrollment process so people receiving tax subsidies covering their entire premium would instead be automatically signed up with reduced subsidies or no subsidies at all. Typically, existing customers who don't take any action during the open enrollment period are automatically renewed in the same plan. The new CMS idea would prod those receiving subsidies worth more than their premiums to return to the exchange to update their financial information. CMS is proposing to let those enrolled in a mid-level silver-tiered plan who become ineligible for cost-sharing subsidies, which help cover out-of-pocket health costs, to switch to a gold or bronze plan.

CMS is also proposing to shorten the time between when a person who buys coverage outside the fall enrollment period, because of a qualifying life event, such as a change in employment, and when the coverage takes effect. CMS said it is also considering reducing the user fee that insurers pay to support HealthCare.gov, a possible boon for insurers that could result in lower premiums. CMS considered doing this last year but did not go through with the idea.

In previous years, CMS had considered eliminating automatic reenrollments and "silver loading," two practices that have made the individual markets far more attractive for shoppers. But Congress prohibited those actions for the 2021 plan year in the government funding bill it passed last month.