

HENDERSON BROTHERS UPDATE

Individual & Family Insurance Plan Updates

Date: April 7, 2020

The following is a current update on the status of any special accommodations surrounding Individual and Family pre-65 non-Medicare plan market. Be sure to monitor this website for the more up to date information.

On March 19, 2020, the Pennsylvania Insurance Department issued a notice to all health insurance companies urging flexibility on premiums stating:

“The Department specifically encourages the entities and individuals it regulates to assist those affected by the current situation. Insurers should consider the following actions: consistent with prudent insurance practices, relaxing due dates for premiums payments, extending grace periods, waiving late fees and penalties, and allowing payment plans for premiums payments to otherwise avoid a lapse in coverage. Insurers should consider cancellation or non-renewal of policies only after exhausting other efforts to work with policyholders to continue coverage.”

The official notice can be found a the link below:

<https://www.insurance.pa.gov/Regulations/Laws%20Regulations/Documents/COVID-19%20General%20Guidance%20FINAL%20FINAL%2003-19.pdf>

Additionally, on 3/24/2020, despite a formal request by Pennsylvania Governor Tom Wolf to reopen the PA Individual Exchange, which is operated by the Federal Government, it was formally announced that there will currently be no changes to what are considered a Special Enrollment Period.

In lieu of the Exchange being opened mid-plan year to enrollments, the Wolf Administration shared information on how you can enroll into a health insurance plan if you qualify with a life altering event which would trigger a Special Enrollment Period (SEP).

Pennsylvania is planning to set up its own state-run marketplace for 2021 but until that is set up, Pennsylvania is not set up to reopen individual product enrollment off-cycle. Please continue to check the Henderson Brothers Coronavirus web portal for the most up-to-date information on this issue.

Individual & Family Health Insurance Timelines for coverage:

There is a 60-day window when you can qualify for a health insurance plan under the Special Enrollment Period (SEP). If you do not enroll in that timeframe, you will have to wait until Open Enrollment.

Open Enrollment will run from Friday, November 1 through Sunday, December 15, 2020. The coverage would be effective January 1, 2021.



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You may qualify for a Special Enrollment Period if you or anyone in your household in the past 60 days:

- Marriage. Ability to pick a plan by the last day of the month and your coverage can start the first day of the next month.
- Birth of a child, adoption of a child, or placement of a child for foster care. Your coverage can start the day of the event — even if you enroll in the plan up to 60 days afterward.
- Divorce or legally separated and lost health insurance. Note: Divorce or legal separation without losing coverage doesn't qualify you for a Special Enrollment Period.
- Moving to a new home in a new ZIP code or county
- Moving to the U.S. from a foreign country or United States territory
- If you're a student, moving to or from the place you attend school
- If you're a seasonal worker, moving to or from the place you both live and work
- Moving to or from a shelter or other transitional housing
- Loss of employer/group coverage

Looking Ahead - What is to come with the Affordable Care Act:

Due to the effects of the COVID-19 pandemic on the economy and overall health insurance expenditures, we fully expect this to lead to higher premiums in the future, potentially as soon as the 2021 premiums. As testing and treatment is being covered by the insurance companies, this will cause those insurers the need to recoup their losses. As an initial reference point, Covered California (California's Health Insurance Marketplace) shared their preliminary projections of premium rates to jump from a 4% increase to a 40% increase on 2021 plans in an effort to make up for the increased amount of medical claims, specifically due to the COVID-19 outbreak. While we see this as an extreme set of circumstances, higher than average premium increases in the individual market should be expected. Henderson Brothers' Medicare & Individual Product Specialist, Amie Lapko will continue to monitor any developments in this area.