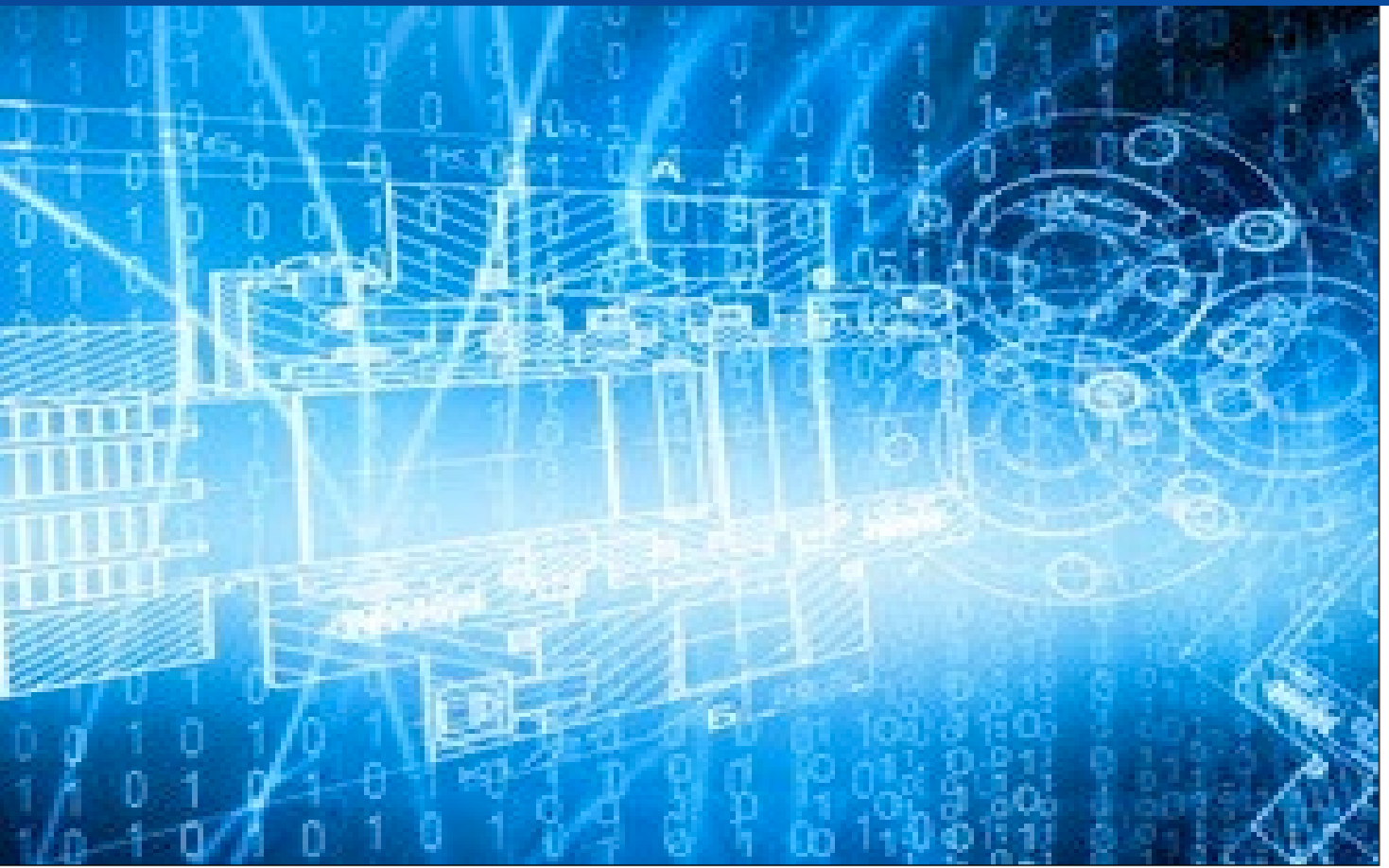
2024 Unauthorized Plan Switch (UPS) Update



Center for Consumer Information & Insurance Oversight (CCIIO)

and

Office of Program Operations & Local Engagement (OPOLE)

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https://regtap.cms.gov/ffenr.php

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2024 Unauthorized Plan Switch

- CMS has identified instances of consumers being enrolled into an unwanted plan.
- This action, referred to as an Unauthorized Plan Switch (UPS), results in the consumer's desired policy being cancelled or terminated.
- Many consumers are unaware of the switch until they attempt to use the desired policy to see a doctor or fill a prescription and are denied.
- Consumers are contacting the Marketplace Call Center to request reinstatement of the desired plan through a Health Insurance Casework System (HICS) case.

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2024 Unauthorized Plan Switch (Cont.)

- Upon receipt of a UPS HICS case issuers must confirm the correct policy to be reinstated, in accordance with previous guidance, and reinstate the policy in its internal system.
- Once the issuer reinstates the desired policy in their system, the issuer must also submit the reinstatement via a HICS Direct Dispute using the “Enrollment Resolution & Reconciliation (ER&R) Review Requested” plan request feature and include the following in the notes only for the policy being reinstated:
  - Submitting case to ER&R through Plan Request due to Unauthorized Plan Switch.
  - The confirmed, correct policy ID is: ##########
  - The confirmed policy coverage period is: MM/DD/YYYY to MM/DD/YYYY.
- **If ER&R disagrees with the issuer’s plan request, the submission requires correction. DO NOT close the case if ER&R has disagreed with the plan request.**

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2024 Unauthorized Plan Switch (Cont.)

- CMS identified a large number of 2024 UPS cases involving cross coverage-year issues.
- There are generally two (2) scenarios found to be occurring:
  - **Scenario A:**
    - A consumer was impacted by an Unauthorized Plan Switch in 2023, and the undesired 2023 policy was auto-reenrolled into 2024.
    - The issue was identified after Open Enrollment Period (OEP) ended, and the consumer was ineligible for a Special Enrollment Period (SEP) to reenroll into the desired policy with the desired Health Insurance Oversight System (HIOS) in 2024.
    - No policy with the desired HIOS exists in 2024.
  - **Scenario B:**
    - A consumer was impacted by an Unauthorized Plan Switch in 2023, and the undesired 2023 policy was auto-reenrolled into 2024.
    - The issue was identified during OEP, but after December 15, 2023, or the issue was identified after OEP and the consumer is eligible for a Special Enrollment Period, such that they were able to reenroll with the desired HIOS in 2024.
    - A policy with the desired HIOS exists in 2024, but it has a start date later than January 1, 2024.

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2024 Unauthorized Plan Switch Scenario A

- In 2024, CMS is including a subset of UPS policies in the Reinstatement After Batch Auto Re-enrollment (BAR) process to address **Scenario A** (2023 UPS, with no policy in desired HIOS for 2024).
- Reinstated After BAR is conducted for policies that are reinstated through Enrollment Data Alignment (EDA) after BAR concludes and will not be correctly re-enrolled for 2024 coverage.
- CMS will identify consumers who are not enrolled in a 2024 health plan because the associated 2023 health plan enrollment was reinstated through the UPS process after BAR concluded.
- CMS will tag those consumers' Marketplace accounts with SEPs to allow the consumers to enroll in 2024 coverage by contacting the Marketplace Call Center.

  NOTE: If a consumer enrolls under the SEP, the issuer will receive an 834 transaction with a prospective start date and, potentially, a HICS case to make the coverage retroactive to 1/1/2024, at the enrollee's option.

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2024 Unauthorized Plan Switch Scenario A (Cont.)

- ER&R will send the files containing the affected policies through Electronic File Transfer (EFT) to impacted issuers from January through March 2024, along with email communications that include the EFT filenames.
- **NOTE:** ER&R will also provide Unauthorized Plan Switch (UPS) Reinstatement After BAR files in April and May, along with the email.
- ER&R distributed an EFT file listing the additional qualifying 2023 reinstatements to impacted issuers on **1/25/2024**, along with the email.
- CMS encourages issuers to complete outreach and advises the impacted consumers to contact the Marketplace Call Center at **1-800-318-2596** to enroll in a 2024 plan.
- Issuers may review the previously posted Reinstatement After BAR micro training in the ER&R Training Library for a refresher. To access the training:
  - **Download the ERRTrainingLibrary.zip file on ER&R's CMSzONE page: https://zone.cms.gov/system/files/documents/ERRtraininglibrary.zip**
  - **Unzip the file on your local PC.**
  - **Open the ERR Landing Page v5 PDF file.**
  - **Click on the Reinstatement After BAR class to launch the training.**

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2024 Unauthorized Plan Switch Scenario A (Cont.)

- The table shows an example of a UPS case that will be considered for Reinstatement After BAR.

HIOS ID	FFM Policy ID	FFM Benefit Start Date	Issuer Benefit Start Date	FFM Benefit End Date	Issuer Benefit End Date	FFM Premium Paid Indicator	Issuer Premium Paid Indicator
4567	78910	20240101	20240101	20241231	20241231	Y	Y
4567	123456	20231001	20231001	20231231	20231231	Y	Y
1234	456789	20230101	20230101	20230930	20230930	Y	Y

- The issuer submitted an ER&R plan request for desired HIOS 1234 to reinstate desired policy 456789 from 1/1/2023 to 12/31/2023.
- Undesired policy 123456 will be cancelled.
- The desired policy does not exist in 2024.
- The undesired policy will continue to be active in 2024.
- Policy 123456 will be included in the Reinstatement After BAR process. The consumer's account will be tagged with an SEP in order to gain coverage back into their desired HIOS in 2024.

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2024 Unauthorized Plan Switch Scenario A (Cont.)

- The table shows an example of a UPS case that went through the Reinstatement After BAR process where the consumer triggered their SEP.

HIOS ID	FFM Policy ID	FFM Benefit Start Date	Issuer Benefit Start Date	FFM Benefit End Date	Issuer Benefit End Date	FFM Premium Paid Indicator	Issuer Premium Paid Indicator
1234	98765	20240301	20240301	20241231	20241231	Y	Y
4567	78910	20240101	20240101	20240229	20240229	Y	Y
4567	123456	20231001	20231001	20231231	20231231	C	C
1234	456789	20230101	20230101	20231231	20231231	Y	Y

- The 2023 UPS is resolved.
- CMS will conduct a special cleanup file to reinstate the 2024 desired policy 98765 to 1/1/2024 and cancel policy 78910 due to fraud.
- If HIOS 1234 receives a HICS case with a request for retroactive effective date, the issuer should confirm the consumer was included in the UPS Reinstatement after BAR file, update their internal records, and notify the consumer. The Federally-facilitated Exchange (FFE) will be updated in the monthly special cleanup file.

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2024 Unauthorized Plan Switch Scenario A (Cont.)

- The table shows the state of this policy after all clean ups are conducted.

HIOS ID	FFM Policy ID	FFM Benefit Start Date	Issuer Benefit Start Date	FFM Benefit End Date	Issuer Benefit End Date	FFM Premium Paid Indicator	Issuer Premium Paid Indicator
1234	98765	**20240101**	**20240101**	20241231	20241231	Y	Y
4567	78910	20240101	20240101	20240229	20240229	**C**	**C**
4567	123456	20231001	20231001	20231231	20231231	**C**	**C**
1234	456789	20230101	20230101	**20231231**	**20231231**	Y	Y

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2024 Unauthorized Plan Switch Scenario B

- The table shows an example of a UPS case for HIOS 1234 where the issue began in 2023 and carried over into 2024. The consumer was able to enroll prior to the end of OEP, but the start date is greater than January 1, 2024 (2/1/2024)

HIOS ID	FFM Policy ID	FFM Benefit Start Date	Issuer Benefit Start Date	FFM Benefit End Date	Issuer Benefit End Date	FFM Premium Paid Indicator	Issuer Premium Paid Indicator
1234	98765	20240201	20240201	20241231	20241231	Y	Y
4567	78910	20240101	20240101	20240131	20240131	Y	Y
4567	123456	20231001	20231001	20231231	20231231	Y	Y
1234	456789	20230101	20230101	20230930	20230930	Y	Y

- Undesired policy 78910 needs to be cancelled, and policy 98765 needs to have a 1/1/2024 start date under desired HIOS 1234.
- ****NEW** :** The issuer should submit an **ER&R plan request** for the desired policy across 2023 and 2024.
  - Plan request for Policy ID 98765, start date 1/1/2024 – end date 12/31/2024
  - Plan request for Policy ID 456789, start date 1/1/2023 – end date 12/31/2023

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2024 Unauthorized Plan Switch Scenario B

HIOS ID	FFM Policy ID	FFM Benefit Start Date	Issuer Benefit Start Date	FFM Benefit End Date	Issuer Benefit End Date	FFM Premium Paid Indicator	Issuer Premium Paid Indicator
1234	98765	20240201	20240201	20241231	20241231	Y	Y
4567	78910	20240101	20240101	20240131	20240131	Y	Y
4567	123456	20231001	20231001	20231231	20231231	Y	Y
1234	456789	20230101	20230101	20230930	20230930	Y	Y

- Undesired policy 78910 needs to be cancelled, and policy 98765 needs to have a 1/1/2024 start date under desired HIOS 1234.
- ****NEW**:** The issuer needs to submit an **ER&R plan request** for the desired policy across 2023 and 2024.
  - Plan request for Policy ID 98765, start date 1/1/2024 – end date 12/31/2024
  - Plan request for Policy ID 456789, start date 1/1/2023 – end date 12/31/2023
- **To successfully adjust the start date of consumer's desired 2024 policy to 1/1/2024, the issuer MUST submit BOTH the 2023 AND 2024 Policy ID, start date, and end date.**
  - **NOTE: This applies to Unauthorized Plan Switch Scenario B ONLY. Retroactive adjustments for issues that do not involve Unauthorized Plan Switching should follow existing processes.**

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