

FAQ-Marketplace Open Enrollment for Michigan Ryan White Programs

Overview

The Health Insurance Marketplace is a federal insurance program where individuals can shop for and compare health plans. During the annual Open Enrollment period, clients can select a new health plan or review their current one to make sure it fits their needs. This is also a great time for Michigan residents to explore savings that can make health insurance more affordable. If their current plan no longer works for them, they can switch to a new one during this time.

What are Ryan White subrecipients asked to prioritize?

To compensate for increasing program costs associated with medications and the Inflation Reduction Act (IRA) Medicare out-of-pocket cap, the Bureau of HIV and STI Programs (BHSP) has identified the need to increase the enrollment of [eligible clients in Health Insurance Marketplace Plans](#). Aligned with vigorous pursuit of alternative payors, programs must support health care coverage enrollment and renewal for every eligible client during Marketplace Open Enrollment. We are asking that case managers provide clients information about benefits of plans that have higher out of pocket maximums and about Ryan White premium assistance.

What information is required to complete enrollment?

View a [summary of information and documentation needed for Marketplace enrollment](#).

When will Marketplace Open Enrollment end?

Open Enrollment will be ending on **January 15th, 2025**. Individual health coverage is only available to purchase during the annual open enrollment period unless an individual qualifies for a Special Enrollment Period (SEP) based on certain life events or estimated income changes. For more information, visit [SEP](#).

What will occur if there is not a significant increase in client enrollment in health insurance?

Not achieving a significant shift in enrollment during FY 2025 would require the implementation of cost containment measures like reducing the Federal Poverty Level (FPL) cap for eligibility, reducing contracts and/or removing medications from the formulary.

Navigating Marketplace Plans

Facilitating clients' access to health insurance is a key component of successful and sustainable implementation of Ryan White programming. The information below responds to key questions and challenges posed to the Michigan Drug Assistance Program (MIDAP) related to navigating the Marketplace. Additional resources are available at the [Michigan Department of Insurance and Financial Services website](#).

How does the APTC work?

The Advanced Premium Tax Credit ([APTC](#)) is a tax credit that eligible clients must opt-into in order to receive MIDAP premium assistance. The estimated tax credit amount is used to lower monthly health insurance premiums as reflected on premium invoices. Clients' income information

they provided to apply for coverage in the Marketplace is also used to estimate the APTC amount. The estimated and actual APTC amounts depend on household income (100%-400% FPL) and is based on a sliding scale. Clients that received more than 100% of the premium tax credit, as determined by final income, will reconcile

the excess when filing a federal tax return. Due to this, clients MUST file a tax return to qualify for the APTC and premium assistance.

How do I track information on plans available to clients through the Marketplace?

Information about select plans that may respond to the needs of people with HIV has been compiled and made available at [Michigan.gov/HIVSTI](https://michigan.gov/HIVSTI).

What is on a Marketplace Eligibility Letter and invoice from the insurance company?

The Marketplace Eligibility Letter and invoice are reviewed in detail and matched. The Marketplace Eligibility Letter contains:

- ✓ **Eligibility Results:** States whether the individual is eligible for coverage through the marketplace or Medicaid.
- ✓ **Household Income:** The modified adjusted gross income (MAGI) submitted on the marketplace application is used to determine eligibility for the APTC.
- ✓ **Financial Assistance/APTC:** Indicates if the individual qualifies for APTC or cost-sharing reductions based on the income provided.
- ✓ **Required Documents:** If needed, a list of documents the individual may still need to submit to verify eligibility, such as tax returns or residency, and instructions for submission to the marketplace.

- ✓ **Next Steps:** Instructions on how to choose a health plan.
- ✓ **Coverage Start Date:** When an individual's health insurance coverage will begin.

The invoice from the insurance company contains:

- ✓ **Account Number:** The account number is unique and in order to make further payments. The account number can also change from year to year.
- ✓ **Plan Name:** Name of the health plan that was chosen (i.e. Blue Cross Premier Gold).
- ✓ **Summary of Charges:** This shows any previous balance (if any), payments applied, the total amount of APTC applied, current charges and total amount due.
- ✓ **Payment Address:** The address is provided on the invoice from the insurance company, not from the Marketplace, and is typically sent to a P.O. Box.

What might clients prioritize when selecting a Marketplace Plan?

Overall cost, comprehensiveness and coverage of preferred providers are often important. Information about the APTC and Ryan White premium assistance may help make selecting and enrolling in a health plan easier for clients.

Communicating with Clients

Providing clear, relevant information to clients can make it easier for them to enroll in or renew a Marketplace plan during Open Enrollment. Effective communication is essential for meeting policy requirements that emphasize vigorous pursuit of other potential funding sources, such as Medicaid, employer-sponsored insurance, or other private health insurance. Often, organizations implement case management services to facilitate clients' access to health insurance.

Why is open enrollment important if clients receive needed medications through MIDAP?

While MIDAP provides access to medications, all plans offered in the Marketplace must cover [10 essential health benefits](#). These benefits are minimum requirements for all Marketplace plans. Insurance isn't just for when clients are sick or hurt, it's also important to help them stay healthy and to protect them from unexpected high medical costs. While insurance can be expensive,

individuals eligible for premium assistance and other MIDAP services may have little to no costs.

What information was given to clients so far?

MIDAP recently sent letters urging clients to reach out to case managers for assistance with signing up for a Marketplace or Medicare plan. The letters were sent to clients that were eligible for or currently enrolled in a Marketplace or Medicare Plan. The letters were also sent to clients receiving MIDAP services with no insurance.

Are there other materials to support clients?

Materials that may support client education are available at the [Michigan Department of Insurance and Financial Services website](#).

- ✓ Glossary of health coverage terms.
- ✓ Shopping for a Health Plan.
- ✓ What to know about surprise billing.

Why have I been contacted by person who received a letter who is not presently a client?

Ryan White services must be offered to eligible persons who need them, including services to prevent or address lack of insurance. The letter aimed to link clients to assistance for open enrollment by including contact information for agencies with case management services.

Ryan White Premium Assistance among Persons Enrolled in Marketplace Plans

Premium Assistance is a program within MIDAP that will pay monthly health insurance premiums for clients. This section responds to common questions about enrolling clients in Marketplace Plans in combination with premium assistance.

When must Marketplace Plan documents be submitted to MIDAP?

MIDAP needs timely documentation to effectively coordinate payment for premiums. Due dates for submitting Marketplace Plan document submission depend on date of enrollment in the Marketplace, as it determines the plan start date and invoice date.

Important Due Dates

For clients enrolling in a Marketplace Plan between **November 1, 2024 – December 15, 2024:**

- ✓ Open Enrollment Response forms are due no later than **Friday, December 13, 2024.**
- ✓ Final Invoices are due no later than **Friday, January 17, 2025.**
- ✓ Clients' Marketplace Plan coverage will begin on **Monday, January 1, 2025.**

For clients enrolling in a Marketplace Plan between **December 16, 2024 – January 15, 2025:**

- ✓ Open Enrollment Response forms are due no later than **Friday, January 17, 2025.**
- ✓ Final Invoices are due no later than **Friday, February 14, 2025.**
- ✓ Clients' Marketplace Plan coverage will begin on **Thursday, February 1, 2025.**

Why must the Marketplace Eligibility Letter and invoice be submitted for premium assistance?

The MIDAP-Premium Assistance program uses these to confirm 100% of the APTC has been applied. Even if an Open Enrollment Response form has been submitted, clients must still provide their invoice and Marketplace Eligibility Letter for MIDAP-Premium Assistance to process payments.

What steps can clients take to remain eligible for the APTC and Premium Assistance?

1. **Authorize financial assistance during the Marketplace application process.** On the marketplace application, clients will be asked if they want to be reviewed for financial assistance. They must agree authorize the

collection of tax data from the IRS during the application process.

2. **Apply the full Advanced Premium Tax Credit (APTC) amount.** When asked how much of the tax credit to use, clients must choose 100% of the tax credit to be applied.
3. **Keep income updated throughout the year.** Updating income throughout the year reduces the chances of owing money at tax time.
4. **File taxes and reconcile tax credits.** At tax time, clients must reconcile any premium tax credits they used during the year.
5. **Eligibility notes:** Clients cannot be claimed as dependents on someone else's taxes. The APTC can be applied to any metal-tier plan, but the amount is based on the cost of a Silver-plan.

What are key issues to ensuring clients using the Marketplace receive premium assistance?

Premium assistance is not available to clients who:

- ✖ Select policies that cost less than \$10/month.
- ✖ Do not apply 100% of the APTC.
- ✖ Do not submit copies of Marketplace Eligibility Letter and invoice to MIDAP.
- ✖ Are eligible for benefits, such as Medicaid, in which provision of premium assistance would not comply with payor of last resort policy.
- ✖ Are offered employer-sponsored health insurance with premiums costing 8.39% (2024) or 9.02% (2025) of their [MAGI](#) or less.
- ✖ Do not return all documents requested by the Marketplace.
- ✖ Check “yes” to other qualifying coverage on Marketplace applications when they are enrolled in Plan First.

Financial Sustainability

Facilitating client access to health insurance during open enrollment for all eligible clients who are not eligible for other insurance programs (i.e., Medicaid, Employer-Sponsored, etc.) helps maximize the quality of services and supports delivered to persons by Michigan Ryan White Programs.

Why are case managers encouraged to discuss plans with higher out-of-pocket maximums?

Plans with higher out-of-pocket maximums (including deductible, copays, and coinsurance) can be paid for by MIDAP-PA on behalf of the client. This allows the program to collect rebates, which are essential for funding services. MIDAP cannot generate a rebate if there is not a cost-sharing charge.

How does maximizing client insurance coverage help sustain Ryan White Program services in Michigan?

Enrolling eligible clients in Marketplace plans helps offset rising program costs. Having insurance benefits both clients and MIDAP by:

- ✓ Supporting clients with comprehensive care.
- ✓ Improving cost efficiency.
- ✓ Allowing subrecipient agencies to generate program income, which can be reinvested into Ryan White services.

What led to increased MIDAP program costs?

Between 2022 and 2023, MIDAP expenditures for medications increased by \$5.85 million – but there were fewer claims in 2023 than in 2022 – this represents a 21% increase in the cost of medications. For grants years 2023-2024, medication costs are projected to increase by another \$11 million. Additionally, pharmaceutical rebate revenue is expected to decline in 2025 due to the Inflation Reduction Act (IRA). The IRA's \$2,000 out-of-pocket cap for Medicare enrollees means most clients on Medicare will meet their cost-sharing requirements by February 2025, leaving no room for rebates to be collected.