



COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
DIVISION OF INSURANCE

1000 Washington Street, Suite 810 • Boston, MA 02118-6200
(617) 521-7794 • FAX (617) 521-7758
<http://www.mass.gov/doi>

DEVAL L. PATRICK
GOVERNOR

TIMOTHY P. MURRAY
LIEUTENANT GOVERNOR

GREGORY BIALECKI
SECRETARY OF HOUSING AND
ECONOMIC DEVELOPMENT

BARBARA ANTHONY
UNDERSECRETARY OF CONSUMER AFFAIRS
AND BUSINESS REGULATION

JOSEPH G. MURPHY
COMMISSIONER OF INSURANCE

BULLETIN 2013-01

TO: Commercial Health Insurers, Blue Cross and Blue Shield of Massachusetts, Inc. and Health Maintenance Organizations Offering or Renewing Insured Health Products in the Merged Market in Massachusetts

FROM: Joseph G. Murphy, Commissioner of Insurance

DATE: January 2, 2013

RE: Open Enrollment Periods for Individuals in Insured Health Benefit Plans

Background

The Division of Insurance (“Division”) issues this Bulletin to facilitate an orderly implementation of open enrollment changes required under the federal Patient Protection and Accountable Care Act (“ACA”) beginning in 2013. Eligible individuals generally will be able to apply for and purchase merged market coverage only during annual open enrollment periods.

Open Enrollment Periods in 2013 and 2014

In 2013, there will be two open enrollment periods:

- The first enrollment period will be between July 1, 2013 and August 15, 2013; and
- The second enrollment period will be between October 1, 2013 and December 31, 2013.

In 2014, there will be two open enrollment periods:

- The first enrollment period will be between January 1, 2014 and March 31, 2014; and
- The second enrollment period will be between October 15, 2014 and December 7, 2014.

After 2014, the open enrollment period will be annually from October 15 to December 7, unless otherwise designated by the Commissioner of Insurance.

Open Enrollment Rules for 2013 and 2014

Carriers shall allow the following for eligible individuals enrolling or renewing health coverage in 2013 and 2014:

For individuals enrolling in or renewing coverage with coverage effective dates from January 1, 2013 through March 31, 2013

- Coverage shall be in effect for a 12-month period.
- If an individual has coverage with a plan-year deductible or plan-year out-of-pocket limitation, the deductible or limitation shall be in effect for the duration of the 12-month period.
- Disclosures shall be provided to existing covered individuals and prospective insureds that will explain the following:
 - The date that coverage will end;
 - Eligible individuals may switch to other coverage during the state July 1, 2013 through August 15, 2013 open enrollment period, but that coverage will only last through March 31, 2014;
 - Eligible individuals may switch to other coverage during the federal October 1, 2013 through March 31, 2014 open enrollment period, but that coverage only will last through December 31, 2014; and
 - When switching to another health plan at the conclusion of the existing plan year, those individuals in plans with plan-year deductibles or plan-year out-of-pocket limitations will be issued a policy endorsement that will pro-rate the deductible or out-of-pocket limitation to reflect that coverage will not be in effect for a full 12-month period.

For individuals enrolling in or renewing coverage with coverage effective dates from April 1, 2013 through December 31, 2013

- Coverage shall be in effect only through *March 31, 2014*.
- If an individual has coverage with a plan-year deductible or plan-year out-of-pocket limitation, the coverage shall be issued with a policy endorsement that pro-rates the deductible or limitation to reflect the number of months of coverage that the plan is in effect.
- Disclosures shall be provided to existing covered individuals and prospective insureds that will explain the following:
 - The date that coverage will end;
 - Eligible individuals may switch to other coverage during the state July 1, 2013 through August 15, 2013 open enrollment period, but that coverage will only last through March 31, 2014;
 - Eligible individuals may switch to other coverage during the federal October 1, 2013 through March 31, 2014 open enrollment period, but that coverage only will be in effect through December 31, 2014; and
 - When switching to another health plan at the conclusion of the existing plan year, those individuals in plans with plan-year deductibles or plan-year out-of-pocket limitations will be issued a policy endorsement that will pro-rate the deductible or

out-of-pocket limitation to reflect that the coverage will not be in effect for a full 12-month period.

For individuals enrolling in or renewing coverage with coverage effective dates from January 1, 2014 through May 31, 2014

- Coverage shall be in effect through *December 31, 2014*.
- If an individual has coverage with a plan-year deductible or plan-year out-of-pocket limitation, the coverage shall be issued with a policy endorsement that pro-rates the deductible or limitation to reflect the number of months of coverage that the plan is in effect.
- Disclosures shall be provided to existing covered individuals and prospective insureds that will explain the following:
 - The date that coverage will end;
 - Eligible individuals may switch to other coverage during the federal January 1, 2014 through March 31, 2014 open enrollment period, but that coverage will only be in effect through December 31, 2014;
 - When switching to another health plan at the conclusion of the existing plan year, those individuals in plans with plan-year deductibles or plan-year out-of-pocket limitations will be issued a policy endorsement that will pro-rate the deductible or out-of-pocket limitation to reflect that the coverage will not be in effect for a full 12-month period.

For individuals enrolling in or renewing coverage with coverage effective dates from June 1, 2014 through December 31, 2014

- Coverage shall be in effect through December 31, 2014.
- If an individual has coverage with a plan-year deductible or plan-year out-of-pocket limitation, the coverage shall be issued *without* any policy endorsement to pro-rate the deductible or limitation, and the plan-year deductible or plan-year limitation will apply through the policy period.
- Disclosures shall be provided to existing covered individuals and prospective insureds that will explain the following:
 - The date that coverage will end;
 - Eligible individuals may switch to other coverage during the federal October 15, 2014 through December 7, 2014 open enrollment period, but that coverage only will become effective January 1, 2015; and
 - Those individuals in health plans with plan-year deductibles or plan-year out-of-pocket limitations will *not* be issued a policy endorsement that will pro-rate the deductible or out-of-pocket limitation and coverage made effective after January 1 will not be in effect for a full 12-month period.

For individuals enrolling in or renewing coverage with coverage effective dates after December 31, 2014

- Coverage shall be in effect through December 31 in the year the coverage becomes effective.
- If an individual has coverage with a plan-year deductible or plan-year out-of-pocket limitation, the coverage shall be issued *without* any policy endorsement to pro-rate the deductible or limitation, and the plan-year deductible or plan-year limitation will apply through the policy period.
- Disclosures shall be provided to existing covered individuals and prospective insureds that will explain the following:
 - The date that coverage will end;
 - Eligible individuals may switch to other coverage during the federal open enrollment period beginning in October, but that coverage only will become effective the following January 1; and
 - Those individuals in health plans with plan-year deductibles or plan-year out-of-pocket limitations will *not* be issued a policy endorsement that will pro-rate the deductible or out-of-pocket limitation and coverage made effective after January 1 will not be in effect for a full 12-month period.

If you have any questions about this Bulletin, please contact Kevin P. Beagan, Deputy Commissioner of the Health Care Access Bureau at (617) 521-7323 or Nancy Schwartz, Director of the Bureau of Managed Care at (617) 521-7347.