

The Enrollment Coalition

AN ALLIANCE CONVENED BY LEAVITT PARTNERS

January 15, 2021

To: Biden-Harris Transition Team

Re: Recommended Near-Term Actions to Support Health Coverage Enrollment for Eligible Individuals

On behalf of The Enrollment Coalition, we write to provide our consensus recommendations on steps the Biden-Harris Administration can take immediately upon taking office in January 2021 to support the enrollment of currently eligible individuals into existing forms of subsidized health coverage. The Enrollment Coalition is a group of stakeholders including providers, health plans, patient and consumer groups, health insurance experts, employer groups, and technology solution organizations collaborating to identify, develop, and advance actionable policy recommendations for federal policymakers aimed at improving enrollment data, systems, and processes to foster the enrollment of uninsured Americans under age 65 into existing health coverage plans and programs for which they are eligible.

The COVID-19 public health emergency and resulting disruption to Americans' health and economic stability makes us freshly aware of the need to have a variety of policy tools in place to ensure Americans obtain health coverage for which they qualify. The pandemic painfully reminds us that while roughly half of all Americans benefit from job-based, employer-sponsored health coverage, for too many, a change in life circumstances or the macroeconomic environment can result in a loss of insurance. According to the Congressional Budget Office (CBO) and Joint Committee on Taxation (JCT), among the 31.5 million people uninsured in 2021, 65 percent, or 20.5 million people, are eligible for but not enrolled in a form of subsidized coverage, including employment-based coverage, Medicaid, or subsidies in one of the marketplaces.¹ The Kaiser Family Foundation recently estimated that fully 40 percent of the uninsured are eligible for zero-premium coverage, through Medicaid or health insurance exchanges.²

While there is clearly a need for longer-term strategies to increase enrollment in health coverage, we outline six initial actions below that the Biden-Harris Administration can take immediately after the inauguration to support enrollment over the short term, including the enrollment of individuals currently eligible-but-not-enrolled in existing sources of health coverage. We believe these actions will help ensure that people have the health coverage they need, during this unprecedented public health emergency and beyond.

¹ Congressional Budget Office. Federal Subsidies for Health Insurance Coverage for People Under 65: 2020 to 2030. September 2020. <https://www.cbo.gov/publication/56650>. Accessed December 14, 2020.

² Cox, C., and McDermott, D. Millions of Uninsured Americans are Eligible for Free ACA Health Insurance. Kaiser Family Foundation, Nov 24, 2020. <https://www.kff.org/policy-watch/millions-of-uninsured-americans-are-eligible-for-free-aca-health-insurance/>. Accessed January 10, 2021.

In addition to these first steps, we look forward to future opportunities to work with the Administration and bipartisan leaders in Congress to develop consensus policies to expand enrollment for those individuals who are eligible for health coverage but not enrolled.

1. Issue an Executive Order on Health Care Enrollment.

Within the first few days of taking office, President Biden should issue an Executive Order (EO) directing the Department of Health and Human Services (HHS), the Treasury Department, the Department of Labor (DOL), and other applicable federal departments and agencies to use their current authority to support enrollment in health coverage.

While EOs are largely administrative in nature, they send a strong directive to federal agencies and stakeholders on the policy priorities of the Administration, as well as on how existing federal authorities should be utilized. Given the current challenges of the public health emergency, it is imperative that the Administration offer clear and timely direction on this topic.

Whether as a standalone EO or as part of other EOs on health care matters, we believe it is important that the President direct the Administration to do an intensive review of its available authorities to increase enrollment in health coverage for eligible-but-not-enrolled individuals and quickly develop and execute actionable strategies to support further enrollment.

2. Establish a Special Enrollment Period.

The Biden-Harris Administration Department of Health and Human Services (HHS) should establish an extensive COVID-19 special enrollment period (SEP) for federally facilitated marketplaces (FFMs) in 2021.

Loss of job is a qualifying event that allows an individual to enroll in ACA coverage; however, many people are confused about where and when to enroll. A February 2020 study of public opinion polls by the Kaiser Family Foundation found that 59 percent of the public is aware that the ACA offers subsidies, compared to 75 percent awareness 10 years ago. Of the uninsured, only 43 percent know about open enrollment.³

As many individuals face loss of employer coverage for the first time due to the pandemic, these figures highlight an urgent need to address the lack of enrollment and eligibility awareness by establishing a COVID-19 SEP. An SEP would also provide an enrollment opportunity to those who lacked health coverage prior to COVID-19 and were not aware of assistance available during open enrollment. Given the number of unique circumstances where COVID-19 may lead to a loss of coverage, consideration should be given to limit additional eligibility requirements.

The Biden-Harris Administration and HHS should account for a number of considerations when designing the COVID-19 SEP, including but not limited to:

- *Public Awareness Campaign.* To successfully drive enrollment, the Administration must develop and execute a substantial public awareness campaign to help people understand whether they are eligible for enrollment, as well as how and when to enroll. Particularly in the face of job loss, exhaustion of COBRA continuation coverage, coverage terminations at the end of a grace period, and the uninsured who may need health care services at this time, more Americans who may be

³ Brodie, M., et al. The Past, Present, and Possible Future of Public Opinion on the ACA. Health Affairs. VOL. 39, NO. 3. February 19, 2020. <https://www.healthaffairs.org/doi/full/10.1377/hlthaff.2019.01420>. Accessed November 30, 2020.

eligible for coverage would benefit from a concerted, coordinated public awareness effort to help them understand how to access coverage for which they may be eligible.

- *Timing.* The SEP should be a time-limited opportunity at the beginning of 2021, with marketing campaigns and enrollment support to encourage individuals to enroll. That said, the Administration should recognize that economic hardship and job loss related to COVID-19 may occur after the end of the public health emergency. The Administration should remain open to other SEPs if needed.
- *Adverse Selection.* While the federal government opted not to establish a COVID-19 SEP for the 38 states using the FFM, 12 of the 13 state-based marketplaces (SBMs) did.⁴ Among these states, there has been little evidence of adverse selection to date. In addition, the American Academy of Actuaries states that the unique circumstances of the pandemic could increase perception of the value of insurance, particularly among healthy uninsured individuals.⁵ These state approaches could provide a template for an FFM COVID-19 SEP.
- *Risk Adjustment.* The Administration should also consider accelerating implementation of pending changes to risk adjustment models to account for the shortened period of enrollment for new individuals on the Exchange in 2021.

3. Utilize Exchange User Fees to Support Navigators and Other Enrollment Activities.

The Biden-Harris Administration Department of Health and Human Services (HHS) should restore previous funding and spending levels of exchange user fee dollars to support enrollment assisters, including navigators and community providers, along with other enrollment activities in the FFM.

Culturally and linguistically competent navigators, community providers, and other assisters provide important outreach, education, and enrollment assistance to consumers eligible for marketplace coverage. They help consumers fill out applications, identify eligibility for subsidies and other consumer assistance programs, and raise general awareness and understanding of the FFM.

CMS collects user fees from issuers offering plans on the FFM, which are used in part to fund navigators. While some states and localities have robust navigator programs, some do not, and rely on other strategies to support enrollment. In 2016, CMS provided \$63 million in navigator funding to FFM states. That number was reduced to \$36.1 million in 2017, and since 2018, navigator funding has totaled \$10 million per year. In 2020, 35 grants were awarded to 30 organizations in 28 FFM states. Most organizations receive only a few hundred thousand dollars in navigator grant funding; South Carolina and Utah received no funding in 2020.⁶

⁴ Schwab, R., et al. During the COVID-19 Crisis, State Health Insurance Marketplaces Are Working to Enroll the Uninsured. Commonwealth Fund. May 19, 2020. <https://www.commonwealthfund.org/blog/2020/during-covid-19-crisis-state-health-insurance-marketplaces-are-working-enroll-uninsured>. Accessed November 30, 2020.

⁵ American Academy of Actuaries. Drivers of 2021 Health Insurance Premium Changes: The Effects of COVID-19. Issue Brief. June 2020. <https://www.actuary.org/sites/default/files/2020-06/PremiumDrivers2021.pdf>. Accessed December 14, 2020.

⁶ Pollitz, K. and Tolbert, T. Data Note: Limited Navigator Funding for Federal Marketplace States. Kaiser Family Foundation. October 13, 2020. <https://www.kff.org/private-insurance/issue-brief/data-note-further-reductions-in-navigator-funding-for-federal-marketplace-states/>. Accessed November 30, 2020.

Not only should the Biden-Harris Administration restore exchange user fee dollars available to support navigators to previous levels, but that funding should also be extended to other assisters with trusted community ties to ensure all states and localities have resources to support enrollment. For 2014, the first year in which the ACA's coverage provisions took full effect, consumer assistance programs across the country spent a total of \$413 million to help 10.6 million people enroll in coverage.⁷ The Biden-Harris Administration should take into consideration the challenges posed by the COVID-19 pandemic and resulting economic downturn when determining the appropriate level of funding.

The Administration should also use exchange user fee dollars to help support the healthcare.gov platform.

4. Support Targeted Enrollment Campaigns in Communities of Color.

The Biden-Harris Administration Department of Health and Human Services (HHS) should develop targeted enrollment campaigns to support enrollment of persons of color in health coverage.

The pandemic has highlighted longstanding, systemic disparities in health coverage. Prior to the public health emergency (PHE), half of the 30 million uninsured were people of color,⁸ and since March, Black and Latinx individuals have been disproportionately impacted by job loss compared to White individuals.⁹ In addition, a Kaiser Family Foundation review of multiple studies of federal, state, and local data showed that people of color are more likely to 1) face challenges in accessing testing for COVID-19; 2) have higher rates of infection; 3) have higher hospitalization rates; and 4) have higher death rates even when adjusting for age and other county-level characteristics.¹⁰

Targeted enrollment campaigns to raise awareness in these underserved communities are critical to connecting people to health coverage and care and improving outcomes. To undertake this recommendation, there are existing avenues for the Administration to explore for potential sources of funding, including CMS's Minority Research Grant Program.

One such enrollment campaign should be included as part of the public awareness strategy for the SEP included in our second recommendation. Such campaigns can also be leveraged for next year's open enrollment period, as well as for Medicaid and CHIP.

⁷ Pollitz, K., Tolbert, T., Ma, R. Survey of Health Insurance Marketplace Assister Programs. Kaiser Family Foundation, July 15, 2014. <https://www.kff.org/health-reform/report/survey-of-health-insurance-marketplace-assister-programs/>. Accessed January 10, 2021.

⁸ Linke Young, Christen. There Are Clear Race-Based Inequalities in Health Insurance and Health Outcomes. USC-Brookings Schaeffer Initiative for Health Policy. February 19, 2020. <https://www.brookings.edu/blog/usc-brookings-schaeffer-on-health-policy/2020/02/19/there-are-clear-race-based-inequalities-in-health-insurance-and-health-outcomes/>. Accessed November 30, 2020.

⁹ Saenz, R. and Sparks, C. The Inequities of Job Loss and Recovery Amid the COVID-19 Pandemic. University of New Hampshire Carsey School of Public Policy. August 11, 2020. <https://carsey.unh.edu/publication/inequities-job-loss-recovery-amid-COVID-pandemic>. Accessed November 20, 2020.

¹⁰ Artiga, S., et al. Racial Disparities in Covid-19: Key Findings from Available Data and Analysis. Kaiser Family Foundation. August 17, 2020. <https://www.kff.org/racial-equity-and-health-policy/issue-brief/racial-disparities-covid-19-key-findings-available-data-analysis/>. Accessed November 30, 2020.

5. Establish “Bridges” to Help People Who Lose Their Jobs Find Alternative Sources of Coverage.

The Biden Administration Department of Health and Human Services (HHS) should work with the Department of Labor and other key federal agencies to establish initiatives to “bridge the gap” to help people who have lost their health coverage due to the pandemic.

Due to the number and scope of challenges facing individuals experiencing job loss, workers and their dependents may not immediately find alternative sources of health coverage. These people need immediate access to resources to support them in identifying and enrolling in new sources of coverage.

In October 2020, the Commonwealth Fund estimated that approximately 7.7 million workers and 6.9 million of their dependents lost jobs with employer-sponsored health insurance (ESI) during COVID-19 as of June 2020.¹¹ Data modeling by the Urban Institute projected that 10.1 million people would lose ESI in the last three quarters of 2020 due to the COVID-19 recession. Of this group, it was estimated that 32 percent would switch to another source of employer coverage through a family member, 28 percent would enroll in Medicaid, and 6 percent would enroll in the nongroup market. However, an estimated 34 percent—3.5 million people—would become uninsured.¹²

Policies that could be pursued include:

- Offer incentives to help employers provide services to connect and enroll employees who lose their jobs in Medicaid, an exchange, or other sources of coverage.
- Create automatic referral programs so individuals who apply for unemployment assistance also receive outreach and enrollment assistance from health coverage for which they may be eligible.
- Provide additional funding for navigators and other approved enrollment experts to help enroll laid-off workers and their families into new sources of coverage.
- Conduct outreach to states to raise awareness around Medicaid match funding and other tools to expedite enrollment.
- Explore opportunities to work with the Department of Labor to connect unemployment programs to health coverage enrollment efforts.¹³

¹¹ Fronstin, Paul and Woodbury, Stephen A. How Many Americans Have Lost Jobs with Employer Health Coverage During the Pandemic? The Commonwealth Fund. October 7, 2020. <https://www.commonwealthfund.org/publications/issue-briefs/2020/oct/how-many-lost-jobs-employer-coverage-pandemic>. Accessed November 30, 2020.

¹² Banthin, J., et al. Changes in Health Insurance Coverage Due to the COVID-19 Recession: Preliminary Estimates Using Microsimulation. The Urban Institute. July 2020. https://www.urban.org/sites/default/files/publication/102552/changes-in-health-insurance-coverage-due-to-the-covid-19-recession_4.pdf. Accessed November 30, 2020.

¹³ Linke Young, C., and Lee, S. Making ACA Enrollment More Automatic for the Newly Unemployed. USC-Brookings Schaeffer Initiative for Health Policy, May 2020. <https://www.brookings.edu/research/making-aca-enrollment-more-automatic-for-the-newly-unemployed/>. Accessed January 10, 2021.

6. Address Timing of Grace Period and Outstanding Premiums.

The Biden-Harris Administration Department of Health and Human Services (HHS) should support issuer flexibility to equitably reduce outstanding premiums for individuals who are experiencing income instability due to the pandemic.

Individuals experiencing income instability due to the pandemic are facing difficult financial decisions. Those who have not paid their health coverage premiums during current grace periods will have their coverage automatically terminated after the current open enrollment period ends. These individuals will not be automatically reenrolled for coverage the next year due to the termination and will have missed the opportunity to enroll in a new plan. Furthermore, the termination is retroactive, creating additional gaps in coverage and potential further financial hardship if the individual sought care during that time.

The Biden-Harris Administration should utilize its enforcement discretion and allow individuals with unpaid premiums to enroll in coverage for the 2021 plan year. We also recommend allowing insurers increased flexibility to reduce or forgive outstanding premiums, as long as their policies for doing so are documented and equitably applied.

Other potential strategies for supporting continued enrollment include creating an SEP after the open enrollment period ends for consumers impacted by retroactive coverage termination (see item 2) or continuing to auto-reenroll consumers who would have otherwise had coverage terminated. There may also be additional strategies that HHS, health plans, and states can utilize to assess mid-year eligibility.

These actions, coupled with increased navigator funding and support, will mitigate coverage loss and will help connect people to subsidies and new sources of coverage.

We are well aware of the political and legitimate policy concerns that have made finding consensus on health coverage policy challenging in the past. It is our hope that providing these consensus recommendations for immediate steps the new Administration can take will help encourage bipartisan efforts to support the enrollment of eligible individuals into existing source of coverage.

Thank you for your consideration of these recommendations. Please do not hesitate to reach out with questions or to discuss these recommendations in more detail.

Sincerely,

The Enrollment Coalition

Association for Community Affiliated Plans
Alliance of Community Health Plans
Alluma
Amputee Coalition
Community Catalyst
Families USA
Health Care Service Corporation
Healthcare Leadership Council
March of Dimes