March 22, 2016

Important change in policy: Kaiser Permanente for Individuals and Families plans
Terminations and reinstatements

As you may know, one of the requirements of the Affordable Care Act (ACA) is that reinstatements following termination for non-payment (post grace period) are not generally allowed in the individual market except in the case of an issuer’s erroneous cancellation or termination. This provision resulted in a change to internal Membership Administration reinstatement policies and procedures (P&Ps) which will now be standardized across all Kaiser Permanente regions for both on- and off-exchange plans.

In accordance with this ACA requirement, any subscriber/member in an off-exchange Kaiser Permanente for Individuals and Families (KPIF) plan who is terminated for non-payment will not be able to reinstate their health care membership unless there is an erroneous termination by Kaiser Permanente. If there isn't an erroneous termination by Kaiser Permanente, the member must reapply for coverage during open enrollment or a special enrollment period (SEP) if he/she experiences a triggering event. Note: Failure to pay premiums does not qualify as a loss of coverage triggering event.

Additionally, any KPIF subscriber/member who voluntarily terminates his/her plan is not eligible to reinstate their coverage. The member must reapply for coverage during open enrollment or during a SEP if he/she
experiences a triggering event. Voluntary loss of coverage is not considered a SEP triggering event.

There was no change in the reinstatement policy for KPIF members enrolled in on-exchange plans, as our third party administrator (HPS), working with the Federally Facilitated Marketplace (FFM) and State exchanges, already adheres to this ACA requirement. This formal update to our P&Ps went into effect during the 2016 open enrollment period.

If you have any questions about this policy or KPIF coverage, please contact Tina Ladino at IMC for assistance: Tina@imcr.com or (240) 207-2721.