

New rule tweaks obamacare deadline

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Kathleen Sebelius. Photo: U.S. Dept of Health & Human Services

(HealthDay)—The Obama administration is taking steps to prevent consumers who buy health plans sold through state and federal exchanges from experiencing any gap in coverage this January.

Under new rules, health insurers must accept payment up until Dec. 31 for coverage that begins the following day. Earlier guidance did not establish a payment deadline, allowing insurers to set their own dates.

"And we're recommending that insurers extend this deadline further," U.S. Health and Human Services (HHS) Secretary Kathleen Sebelius said during a Thursday news conference to announce the changes.

A day earlier, HHS released new enrollment figures for health plans sold through the exchanges—the main gateway for coverage under the Affordable Care Act, also known as Obamacare.

Fewer than 365,000 people selected a health plan in the first two months of open enrollment, well below initial projections.

Considering sluggish exchange enrollment and

widespread reports of people losing individual insurance coverage policies that don't meet health reform requirements, U.S. House Energy and Commerce Health Subcommittee Chairman Joe Pitts (R-Pa.) asserted at a hearing Wednesday that the Affordable Care Act would result in fewer Americans having insurance on Jan. 1.

But federal health representatives say otherwise. "We're confident that millions of Americans will have access to more affordable health coverage than they ever had before," said Julie Bataille, a spokeswoman for the U.S. Centers for Medicare and Medicaid Services, the agency responsible for operating the federal insurance exchange known as HealthCare.gov.

Open enrollment runs through March 31. But consumers only have until Dec. 23 to enroll in a plan if they want coverage to take effect on Jan. 1.

As the deadline approaches, the administration is asking health insurers to be more lenient. Insurers are urged to allow coverage on Jan. 1, for example, even if consumers only pay part of the premium by the deadline.

Health officials are also asking insurers to provide coverage retroactive to Jan. 1 as long as consumers enroll in a plan and pay the premium before the end of January.

"The steps the administration is taking today are important to help ensure that consumers seamlessly transition from their current health plans into marketplace coverage without experiencing any gaps in coverage," Michael Hash, director of HHS's Office of Health Reform, said during Thursday's news conference.

HealthCare.gov experienced debilitating problems for weeks after its Oct. 1 launch. Many consumers in the 36 states served by the federal exchange encountered long lag times, timed-out web pages and other bugs while attempting to apply for coverage and enroll in a plan.

State-operated exchanges, serving people in 14 states and the District of Columbia, experienced relatively fewer snafus.

Now that HealthCare.gov is said to be working well for most users, the administration is focusing on ways to make sure the uninsured and those whose health plans are being cancelled don't fall through the cracks.

That includes nearly 86,000 Americans in PCIPS, known as "pre-existing condition insurance plans." Those temporary health plans are being phased out because the Affordable Care Act, beginning in 2014, bans people from being excluded from coverage based on their health status.

To prevent a gap in coverage, HHS officials said, benefits would be available for an additional month as beneficiaries transition to a health exchange plan.

For health reasons, the department wants insurers to continue paying for consumers' prescriptions through January for medications covered under a previous health plan.

Likewise, health officials are concerned some consumers may have selected a health plan using an outdated provider directory. In addition to posting current provider directories, HHS asks that insurers treat out-of-network coverage as in-network coverage in the beginning months of enrollment.

Aetna, for one, has agreed to accept payments for Jan. 1 coverage as late as Jan. 8, Chiquita Brooks-Lasure, a deputy center and policy director at the Centers for Medicare and Medicaid Services, said during Thursday's news conference.

However, the administration's game-changing request may not be a slam dunk, experts said.

"With only weeks to go before coverage begins, continued changes to the rules and guidance could exacerbate the challenges associated with helping consumers through the enrollment process," Karen Ignagni, president and CEO of America's Health Insurance Plans, said in a statement.

"Health plans will continue to do everything they can to protect consumers from potential coverage disruptions caused by the ongoing technical problems with HealthCare.gov," she said.

The new rules published Thursday note that if a consumer is not able to enroll by Dec. 23 because of a health exchange system error, that person could qualify for a special enrollment period.

More information: Learn how to get insurance coverage through the new [health exchanges](#).

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