

Understanding Eligibility

BeWell Essentials: Part 3 of 8



Introduction

This lesson takes a closer look at eligibility for enrollment in a Marketplace health plan. It also examines financial assistance. It contains important information for helping consumers obtain and understand eligibility determinations.

Main Topics

- Eligibility determinations
- Health insurance affordability programs
- American Rescue Plan Act (ARPA) enhanced subsidies
- Health Care Affordability Fund (HCAF)/Marketplace Affordability Program (MAP): State Subsidy Programs

Eligibility Determinations



- The BeWell eligibility and enrollment system (the application) will determine eligibility. Determining eligibility is not the role of agents, brokers, and enrollment counselors (all of which may be referred to collectively as “assisters”).
- However, the determination is based on information put into the system and information available to BeWell through trusted data sources.
- It is important that assisters understand how eligibility is determined so they can explain eligibility results and answer consumer questions about eligibility.

Eligibility Determinations (Continued)



- After consumers apply, BeWell verifies information about each applicant and determines (or assesses, as applicable) their eligibility for:
 - A qualified health plan (QHP) through the Marketplace.
 - A Marketplace QHP with the premium tax credit (PTC) and/or cost-sharing reductions (CSR), if requested.
 - New Mexico Premium Assistance (NMPA) and Native American Premium Assistance (NAPA).
 - More about these programs later in this lesson.
 - Medicaid (assessment)
 - The New Mexico Health Care Authority (HCA) makes the final Medicaid eligibility determination for consumers assessed by BeWell as likely eligible for Medicaid.

Single Streamlined Application



- A consumer completes BeWell's single streamlined application (SSAP) to apply for a range of affordable health coverage options.
- The SSAP determines both the eligibility to shop and enroll in Marketplace medical or dental coverage and apply for financial assistance programs.
- The application can also be used to apply for Medicaid.

Who is Eligible for Marketplace Coverage?



- A consumer is eligible to shop for medical or dental coverage—with or without financial assistance—through BeWell by attesting to and verifying the following criteria:
 - The individual is a U.S. citizen, national, or immigrant who is lawfully present in the United States;
 - The individual is not incarcerated, other than incarceration pending the disposition of charges; and
 - The individual is a resident of New Mexico (they live in New Mexico or intend to reside in New Mexico by the coverage effective date).

Incarceration

- The term “incarceration” applies to someone who is both:
 - An inmate of a public institution (i.e., under the control of state, county, Federal government or municipality); and
 - Is eligible to receive health care services the government is responsible for providing during incarceration.
- Pending disposition of charges:
 - If an individual is not housed in a government institution, has not been arrested, has not yet appeared before a judge, has had charges dismissed, or have entered an initial plea, that individual is not considered incarcerated.

Incarceration (Continued)

- The term “incarceration” does not apply to someone who:
 - is on probation;
 - is released on parole;
 - lives in a residential facility voluntarily or as a condition of probation; and/or
 - resides in a “halfway house.”
- Incarceration does not mean living at home or living in a residential facility under supervision of the criminal justice system or living there voluntarily. In other words, incarceration does not include being on probation, parole, pre-trial detention, or house arrest.
 - **Note:** Learn more about incarceration at [Healthcare.gov](https://www.healthcare.gov).

When/How Do Consumers Get Their Eligibility Determination?



- After consumers submit their application, they will immediately receive an eligibility determination, which will be displayed on the Eligibility Results screen.
- Different members of the same household may get different eligibility results (e.g., one individual may be eligible for a Marketplace plan; another may be assessed as eligible for Medicaid).

Eligibility Notices

- Consumers will also receive a written eligibility notice via their chosen communication method (in the mail or electronically). The notice will also be posted in the consumer's Message Center in their online account. Consumers will receive one of the following notices:
 - Eligibility Approval: Lets the applicant know that they have been approved or provisionally approved for Marketplace coverage. This notice will also indicate if additional information is needed. The notice is triggered at the tax household level.
 - Eligibility Denial: Informs the applicant that they or members on their application were not approved for Marketplace coverage and includes the reason(s) why the individual was not approved.
 - Eligibility Termination: Lets the consumer know that one or more enrolled household members are no longer eligible for Marketplace coverage following a program redetermination or other action that may cause a person to lose eligibility (e.g., batch or administrative closing etc.).
- **Note:** The eligibility notices also describe the consumer's eligibility appeal rights and processes.

Eligibility Notices (Continued)



- Assistors should be familiar with the types of eligibility notices BeWell sends and be able to describe each program consumers may be eligible for.
- Sometimes this will be a simple conversation, and an applicant will quickly move to the next step of shopping for a health plan. Other times, applicants may encounter a Request for Information (RFI) (See Lesson 4, Part 5: RFI) or wish to appeal a decision in their eligibility determination notice.



Eligibility for Financial Assistance



- Consumers need to know about their eligibility for financial assistance, such as the PTC and CSR.
- Assisters should be prepared to explain consumers' options if their eligibility determinations show that they qualify for these financial assistance programs.
- Assisters should also help consumers make informed decisions about the amount of the PTC they want to use in advance.

The PTC

- The PTC
 - Is a federal refundable tax credit used to reduce monthly premium costs for qualifying households.
 - Is calculated using the essential health benefits (EHB) portion of the premium of the second lowest-cost Silver plan (SLCSP) that is available in a household's rating area.
 - Can be used to purchase plans in any metal tier. If the premium of a Marketplace plan is less than the consumer's maximum PTC, the consumer only receives the portion of the PTC that equals the EHB share premium of the selected plan.

Eligibility for the PTC

- Consumers are eligible for the PTC if they meet all the following requirements:
 - Income:
 - Following the American Rescue Plan Act (ARPA), the cap of 400% of the Federal Poverty Level for the PTC has been removed, and the maximum monthly premium (expected contribution) will currently be up to 8.5% of income for the household.
 - Will file a joint tax return with their spouse (if applicable).
 - **Exception:** Certain victims of domestic abuse and spousal abandonment can attest they are single when filling out an application.
 - Are not eligible for or enrolled in other minimum essential coverage (MEC).
 - Agree to file a federal income tax return to “reconcile” APTC received with the actual amount of PTC they qualify for.
 - Enroll in a Marketplace plan through BeWell.

APTC

- Eligible consumers can use all, some, or none of their estimated PTC in advance to lower their monthly premiums. The tax credit is sent directly to the consumer's carrier, so the consumer pays less each month. This is called taking "advance payments of the premium tax credit," or APTC. The PTC may also be taken at tax time.
- The amount of the PTC the consumer qualifies for depends on the estimated income the consumer puts on the application. If income changes, or if a consumer adds or loses members of their household, their PTC will likely change too (e.g., if income goes up, the consumer will likely qualify for a smaller PTC).

Reconciling the APTC

- To qualify for the PTC, consumers must agree to “reconcile” the PTC they received against the actual PTC they qualify for based on their final coverage year income.
 - If consumers use more PTC than they are eligible for, they may be required to repay the difference.
 - If consumers use less PTC than they qualify for, they may receive the difference as a refundable credit.
 - It is important consumers report changes to their income and household size to BeWell as soon as possible to avoid owing money to the Internal Revenue Service (IRS).

The ARPA

- ARPA is a federal law addressing the economic conditions resulting from the COVID-19 pandemic and improved access and the affordability of health coverage by increasing eligibility for financial assistance to help pay for Marketplace coverage. The law:
 - Significantly increased the amount of PTC individuals can receive;
 - Ensures eligible enrollees with income below 200% of the FPL can receive a zero-premium “benchmark” plan;
 - Extends PTC eligibility to people with income over 400% FPL by capping premiums at no more than 8.5% of household income for a Silver plan; and
 - Suspended the requirement that consumers repay excess APTC received for 2020 and 2021.
- The Inflation Reduction Act of 2022 extended ARPA’s subsidy enhancements through 2025.

CSR

- CSR: Out-of-pocket savings with a Silver Plan
 - Some consumers who applying for coverage will qualify for extra savings called CSR. CSR lowers the amount consumers pay for deductibles, copayments, and coinsurance.
 - CSR are not reconciled on the tax return.

CSR (Continued)

- To be eligible for CSR based on income, consumers must meet the following requirements:
 - Have a household income between 100% and 250% FPL.
 - Meet the eligibility criteria to qualify for the PTC.
 - Enroll in a Silver plan through the Marketplace.
- Reduced cost for using medical services can make the total cost of a Silver plan lower than the total cost of a Bronze plan.

How CSR Work

- If consumers qualify for CSR and enroll in a Silver plan:
 - They will have a lower deductible. This means the plan starts to pay its share of consumers' medical costs sooner.
 - **Example:** If a particular Silver plan has a \$750 deductible, a consumer would normally have to pay the first \$750 of medical care first before the insurance company pays for anything (other than certain preventive services included without cost-sharing, such as annual physicals). A consumer eligible for CSR might instead have a \$300 or \$500 deductible for that same Silver plan, depending on their income.

CSR: Special Provisions for Native Americans



- Native American consumers benefit from additional CSR opportunities but are under the same APTC rules as others. This includes when affordable employer-sponsored coverage is offered.
- Tribal members and non-tribal members will be in different shopping groups to best take advantage of their separate eligibilities in the BeWell system. This will allow them to enroll in separate plans to take advantage of all potential savings.
- Members of a federally recognized tribe or an Alaska Native Claims Settlement Act (ANCSA) are also eligible.

CSR: Special Provisions for Native Americans (Continued)



- Native Americans applying for coverage through BeWell and who have an income between 100% and 300% of the FPL do not have to pay cost-sharing (deductibles, copayments, and coinsurance) on any Marketplace plan.
- CSR applies to all metal tiers for Native Americans.
- Native Americans are also exempt from cost-sharing for any health services received directly from the Indian Health Service (IHS), Tribal Health Center, Indian tribe, tribal organization, urban Indian organization, or through the Contract Health Service program.

PTC/CSR for Lawfully Present Immigrants



If a consumer is a lawfully present immigrant and is determined ineligible for Medicaid due to immigration status, they may be eligible for the PTC and CSR through BeWell, even if their household income falls below 100% FPL.



OSI's Marketplace Affordability Program (MAP)



- The Health Care Affordability Fund (HCAF) was created in 2021 to lower health care costs for New Mexicans.
- The law directs the Office of Superintendent of Insurance (OSI) to create programs to reduce both premiums and out-of-pocket costs for individuals and families who qualify for federal financial assistance (i.e., the PTC and CSR) through BeWell.

OSI's Marketplace Affordability Program (MAP) (Continued)



- The State of New Mexico finances enhanced premium and out-of-pocket assistance using funds from HCAF through the Marketplace Affordability Program (MAP).
- MAP builds on top of the federal financial assistance available through BeWell to offer lower cost coverage to individuals and families who qualify.
 - MAP applies only to plans sold through the BeWell Marketplace. Consumers who enroll in coverage outside of BeWell (i.e., "off-exchange") will not receive federal or state financial assistance.
 - More information on MAP can be found at [OSI's HCAF page](#).

MAP – Eligibility



- To qualify for MAP, consumers must:
 - Be eligible to purchase a QHP through BeWell;
 - Qualify for the federal PTC; and
 - Meet income criteria established annually by OSI.

MAP – Available Assistance



- MAP offers the following financial assistance to eligible New Mexican consumers:
 - New Mexico Premium Assistance (NMPA)
 - State Out-Of-Pocket Assistance (SOPA), commonly known as Turquoise Plans
 - Native American Premium Assistance (NAPA)

NMPA – Applicability



- Consumers over 400% FPL do not qualify for NMPA.
- Eligible consumers up through 400% FPL can use NMPA to purchase plans in all metal levels.
- The NMPA assistance amount is based on the consumer's household size and expected household income for the coverage year.

NMPA – Applicability (Continued)



- For PY2025, the NMPA assistance amount is calculated using 10% above the SLCSP for each rating area, often called the “benchmark” plan.
- The consumer’s net premium cannot be lower than \$0.
 - If the combined PTC and NMPA is greater than the total premium of the plan selected by the consumer, the NMPA payment will be reduced. The consumer will then owe \$0.
 - **Example:** Consumer is eligible for \$100 in PTC and \$25 in NMPA. Consumer chooses a plan with a monthly premium of \$110. Consumer will get \$100 in PTC and \$10 in NMPA.

NMPA – Eligibility Results



Consumers who qualify for NMPA will be notified of the dollar amount. The information will display on the Eligibility Results screen in the application and in their eligibility notice.

State Out-of-Pocket Assistance



- To reduce cost-sharing (“out-of-pocket costs”), the MAP builds on the framework of the ACA’s CSR to enhance the Actuarial Value (AV) of certain plans. Carriers are required to submit plan variants that meet AV targets established by OSI.
- These plans are referred to as “Turquoise Plans” in the Marketplace.
- Turquoise plans have lower annual out-of-pocket maximums, deductibles, copayments, and coinsurance applied to essential health benefits (EHB) provided by in-network providers, compared to the base plan.

Turquoise Plans - Applicability



- State funded out-of-pocket assistance (SOPA) applies to Turquoise Plans. There are 3 levels of Turquoise plans:
 - Level 1
 - Formerly displayed as Silver Plans for eligible consumers up to 150% FPL
 - Level 2
 - Formerly displayed as Silver Plans for eligible consumers between 150.01 – 200% FPL
 - Level 3
 - Formerly displayed as Gold plans, for eligible individuals between 200.01 – 400% FPL
- The BeWell application will automatically apply the correct variant based on the consumer's income.

Turquoise Plans – Applicability (Continued)



The maximum out-of-pocket limit for Turquoise plans cannot exceed \$500 (\$1,000 for families) for households up to 150% FPL, and \$3,050 (\$6,100 for families) for households between 150.01-400% FPL in Plan Year 2025.

Consumer Shopping: Turquoise Plans



- Plans can be filtered and sorted using the Turquoise plan as a filter/sorting criteria.
- Consumers will be notified that Turquoise plans have the most robust out-of-pocket assistance, and they can enroll in other available coverage levels but those would not be the best deal.
- The plan naming conventions will match the level of income-based, out-of-pocket assistance offered to consumers. Turquoise variant names will correspond with specific AV requirements.

Consumer Shopping: Turquoise Plans (Continued)



- Plan shopping screens in both the [Shop and Compare Tool](#) and when the consumer is logged in will show available Turquoise plans.
 - Available Turquoise plans will be identified by a special Turquoise flag/banner.
 - Turquoise plans will also be identified as such on top of the plan listing.
 - The Turquoise label will help consumers identify which plans they qualify for.
 - **Note:** For Native Americans, the Turquoise label will be a "Max Savings label."

A screenshot of a health plan listing interface. A purple arrow points to a turquoise flag labeled "Turquoise Plan" on the left side of a plan card. The plan card displays a price of "\$0.00" and the text "UHC Advantage Turquoise 3 with EXTRA SAVINGS". To the right, it lists "Individual \$500.00" and "Family \$1,000.00". A "Calculate Out-of-Pocket Cost" button is visible. Below the plan card, a callout box contains the text: "Turquoise Plans lower your out-of-pocket costs. That means you get discounts for things like doctor and hospital visits or filling prescriptions. Turquoise Plans usually have lower deductibles and maximum out-of-pocket limits." A "Select to compare" checkbox is at the top left of the plan card area.

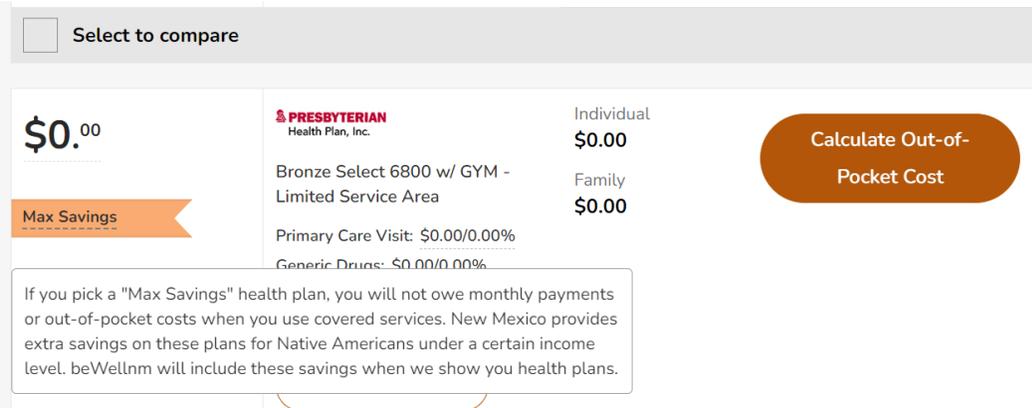
Native American Premium Assistance



- MAP also provides enhanced premium assistance for members of federally recognized tribes, including:
 - \$0 premium options for qualifying Native Americans up to 300% FPL, and reduced premiums between 300-400% FPL (members of federally-recognized tribes between 300-400% FPL will have a premium sliding scale between 1-8.5% of household income for the SLCSP).
 - The state pays what would otherwise be owed for the plan after accounting for the federal PTC and NMPA.

Consumer Shopping: NAPA

- Plan shopping screens in both the [Shop and Compare Tool](#) and when the consumer is logged in will show available Max Savings plans.
 - Available Max Savings plans will be identified by a special flag/banner.
 - The Max Savings label will help Native American consumers identify which plans they qualify for.
 - For Native Americans, the Turquoise label will be a “Max Savings” label.



A screenshot of a health plan card from the BeWell marketplace. The card is titled "Select to compare" and features a purple arrow pointing to a "Max Savings" label. The plan is offered by Presbyterian Health Plan, Inc. and is a Bronze Select 6800 w/ GYM - Limited Service Area plan. The cost is \$0.00 for both individual and family coverage. The card also includes a "Calculate Out-of-Pocket Cost" button and a callout box explaining that Max Savings plans have no monthly payments or out-of-pocket costs for Native Americans under a certain income level.

Plan Name	Individual Cost	Family Cost
Presbyterian Health Plan, Inc. - Bronze Select 6800 w/ GYM - Limited Service Area	\$0.00	\$0.00

Max Savings

Calculate Out-of-Pocket Cost

If you pick a "Max Savings" health plan, you will not owe monthly payments or out-of-pocket costs when you use covered services. New Mexico provides extra savings on these plans for Native Americans under a certain income level. beWellnm will include these savings when we show you health plans.

MAP Administration



- Consumer invoices will clearly show both the federal APTC amount and the NMPA payment applied to the consumer's premium.
 - There may be instances where the NMPA amount will need to be adjusted due to delayed consumer reporting or delayed BeWell staff processing.
- Consumers will not need to reconcile NMPA payments at the end of the year as they do for APTC.

Key Points

- The determination of eligibility is made based on information that is input into the system and information available to BeWell through trusted data sources.
- It is important that assisters understand how eligibility is determined so they can answer questions the consumer may have and be able to explain the eligibility results, cost-saving options, and affordability programs.



Bewell

New Mexico's
Health Insurance
Marketplace