Life Events that Create a Special Enrollment Period

What is a Special Enrollment Period (SEP)?
In certain situations, an individual, and/or their dependents, may be allowed a Special Enrollment Period (SEP). During a SEP, an individual can newly enroll in a qualified health plan (QHP) offered through the Marketplace, or change their current enrollment in a QHP.

Who may participate in a SEP?
Generally, both a qualifying individual and any of their dependents can make changes to their enrollment during a SEP. In some specific circumstances, indicated below, only consumers who are already enrolled in a QHP can participate in a SEP.

When can a consumer get a SEP? How long does it last?
In the Marketplace, a SEP lasts for 60 days, starting from the date of the “life event” or change in a consumer’s circumstances that creates a need to modify coverage.

Life events or changes in circumstances that trigger a SEP
1. An individual (either previously enrolled or not) gains or becomes a dependent, through:
   - marriage
   - birth
   - adopting, or placing a child for adoption
   - placement in foster care

2. An individual or dependent that has health insurance coverage but then loses it due to:
   - job loss, reduction of work hours, or quitting a job, which ends their access to employer sponsored insurance (ESI)
   - a change in job location or residence that puts a person outside the service area of their HMO; if ESI, no other health insurance plan is offered by their employer
   - a change in an ESI plan’s eligibility or a significant change in plan options
   - a change to an ESI plan so that it no longer meets “affordability” and “minimum value” standards
   - death, divorce or legal separation from a spouse, which ends access to coverage
   - loss of eligibility for Medicaid or CHIP (e.g. child ages out of CHIP; or a change in income or household status makes an individual or dependent not eligible for Medicaid)
   - losing coverage on a parent’s plan if a dependent both 1) turns 26 (or older under some state laws) AND 2) is no longer a “dependent” under the plan rules
   - a health plan is decertified and no longer a Qualified Health Plan (QHP)
   - expiration of COBRA coverage (which usually lasts 18 months)
   - loss of eligibility for, or expiration of a student health plan
Important exceptions to loss of coverage events
An individual or dependent that loses their health coverage does not get a SEP if it:
 is due to failure to pay their premiums for ESI, CHIP, COBRA or a QHP
 is for health coverage that does not meet the minimum essential coverage (MEC) standard (e.g. dental-only benefits plan) See https://federalregister.gov/a/2013-21157
 is due to cancellation of coverage because the enrollee committed fraud (but not a mistake) on their application

3. An individual becomes newly eligible for the Marketplace due to:
• a permanent move or relocation to a new area with access to different QHPs
• newly gaining legal status as a “citizen, national, or lawfully present individual” if the person did not previously have any such status
• an increase in income, reduction in household, or other change of circumstances that ends a hardship exemption that was previously granted by the Marketplace
  o Note: In states that did not expand Medicaid, people who fall into the Medicaid gap only qualify for SEP when their income changes if they previously filed for and received a hardship exemption
• a change in income or household status makes an enrollee newly eligible or ineligible for advance premium tax credits (APTCs) or Cost Sharing Reductions (CSRs) only when 1) the individual was already enrolled in a QHP and 2) if a dependent, the dependent is enrolled in the same QHP as the enrollee
• an increase in employee contributions, or a change in employee household or income that makes ESI coverage no longer meet the “affordability” standard
• an ESI plan year ends, which gives any retiree, employee or dependent already covered by the ESI plan a SEP, starting 30 days before the ESI plan-year ends
• release from incarceration (but not for a person who was only incarcerated or held pending the disposition of charges, such as being held pending bail, or held during trial)

Special Circumstances that can allow a SEP
An individual or dependent will get a SEP if the Marketplace determines that:
• an individual’s or dependent’s enrollment (or their failure to be enrolled) was due to any error, misrepresentation, or inaction by the Marketplace, or by enrollment assisters
• a non-Exchange entity that assists with enrollment (such as a Navigator or broker, or CAC) committed misconduct that resulted in an individual or their dependents either: 1) not being enrolled, 2) not being enrolled in the QHP that they selected, or 3) not receiving APTCs or CSRs that they are eligible for
• the QHP significantly violated their contract with an enrollee or their dependent
• the person’s exceptional circumstances warrant a SEP, such as domestic violence, medical emergencies, or other hardships that prevented participation in enrollment

Authored By
Wells Wilkinson, Staff Attorney wwilkinson@communitycatalyst.org