

## Health Connector Policy: Termination of Coverage – Non-Payment of Premium

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Category: **Enrollment**

Effective date: **1/1/2016**

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Approved by: **Ed DeAngelo**

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### **Applicable to all Non-Group products (Qualified Health Plan or QHP/Qualified Dental Plan or QDP)**

For Individuals enrolled in non-group Qualified Health Plans without financial assistance or Qualified Dental Plans:

#### **Payment:**

An enrolled individual/family must pay his/her monthly premium in full by the Payment Due Date each month.

Starting in the first month of enrollment, the Payment Due Date for all non-group products is on the 23<sup>rd</sup> calendar day of the month prior to the month of enrollment. Payment must be actually received by the Payment Due Date each month. Payments postmarked but not actually received before the Payment Due Date will not satisfy this requirement.

#### **Delinquency:**

An enrolled individual/family who fails to pay his/her monthly premium in full by the Payment Due Date will be considered delinquent and notified by mail or electronically after the first missed payment. The Notice of Delinquency will be sent in the beginning of the first month of delinquency and not later than the next Payment Due Date and will inform the individual/family of their delinquent status and that, if payment of their outstanding monthly premium is not received in full on or before the payment due date indicated in the Notice, then their coverage will be terminated retroactively to the last day of the coverage month for which the individual/family's monthly premium was paid in full.

The Delinquent Payment Due Date indicated in the Notice of Delinquency is not less than thirty-five (35) calendar days from the date of the Notice.

#### **Termination:**

If a delinquent individual/family has not paid his/her outstanding monthly premium in full by the Delinquent Payment Due Date indicated in the Notice of Delinquency, then the coverage is terminated. Coverage end date is retroactive to the last day of the coverage month for which the individual/family's monthly premium was paid in full. The individual/family is notified of the

termination by mail or electronically with a Notice of Termination. This Notice will contain coverage end date and reinstatement options.

**Reinstatement:**

An individual/family who was terminated for non-payment of premiums has thirty (30) calendar days (plus five additional days to account for mailing of the notice) from the date of the Notice of Termination to reinstate coverage. All outstanding monthly premiums and a \$50 reinstatement fee must be paid in full within the 35 calendar day period.

- The outstanding monthly premiums will include all prior unpaid monthly premiums for the reinstated policy and the next month's premium in advance.
- Reinstatement effective date is the first day of the month following coverage end date.
- An individual/family may be reinstated only one (1) time during a given plan year.

Requests for reinstatement of coverage may be made by contacting the Health Connector by email, phone, fax, mail or in person.

The Health Connector may, in its sole discretion, waive the reinstatement fee.

**Individuals enrolled in non-group products with federal and/or state financial assistance:**

**Payment:**

An enrolled individual/family must pay his/her monthly contribution in full by the Payment Due Date each month.

Starting in the first month of enrollment, the Payment Due Date for all non-group products is on the 23<sup>rd</sup> calendar day of the month prior to the month of enrollment. Payment must be actually received by the Payment Due Date each month. Payments postmarked but not actually received before the Payment Due Date will not satisfy this requirement.

**Delinquency:**

An enrolled individual/family who fails to pay his/her monthly premium in full by the Payment Due Date will be considered delinquent and will be notified by mail or electronically after the first missed payment. The Past Due Notice will be sent in the beginning of the first month of delinquency and not later than the next Payment Due Date and will inform the individual/family of their past due status and that they may be at risk of losing coverage if they do not pay the amount they owe.

If payment is not received by the second month, the enrolled individual/family will continue to be delinquent and will be notified by mail or electronically when his/her account is two months past due. This Notice of Delinquency will be sent in the second month of delinquency and not later than the next Payment Due Date and will inform the individual/family that, if payment of the outstanding premium contribution is not received in full on or before the payment due date

indicated in the Notice, then the coverage will be terminated retroactively to the last day of the first coverage month in which the individual/family was delinquent (i.e. one month grace period).

Delinquent Payment Due Date indicated in the Notice of Delinquency is not less than thirty-five (35) calendar days from the date of the Notice.

**Termination:**

If a delinquent individual/family has not paid his/her outstanding monthly premium in full by the Delinquent Payment Due Date indicated in the Notice of Delinquency, then the coverage is terminated. Coverage end date is retroactive to the last day of the first coverage month in which the individual/family was delinquent (i.e. one month grace period). Retroactivity is not to exceed ninety (90) days. The individual/family is notified of the termination by mail or electronically with a Notice of Termination. This Notice will contain coverage end date and reinstatement options.

**Reinstatement:**

An individual/family who was terminated for non-payment of premiums has thirty (30) calendar days (plus five additional days to account for mailing of the notice) from the date of the Notice of Termination to reinstate coverage. All outstanding monthly premiums must be paid in full within the 35 calendar day period.

- The outstanding monthly premiums will include all prior unpaid monthly premiums and the next month's premium in advance.
- No reinstatement fee will be charged.
- Reinstatement effective date is the first day of the month following coverage end date.

Requests for reinstatement of coverage may be made by contacting the Health Connector by email, phone, fax, mail or in person.