

If Finalized, These Standards Will Apply for the 2021 Benefit Year

On Jan. 31, 2020, the Department of Health and Human Services (HHS) published its proposed Notice of Benefit and Payment Parameters for 2021. This proposed rule describes benefit and payment parameters under the Affordable Care Act (ACA) that would be applicable for the 2021 benefit year.

Proposed standards included in the rule include:

- **Updated annual limitations on cost-sharing:** The proposed 2021 maximum annual limitation on cost sharing is \$8,550 for self-only coverage and \$17,100 for other than self-only coverage.
- **The individual mandate's affordability exemption:** The proposed 2021 required contribution percentage is 8.27% of household income. While the individual mandate penalty was reduced to \$0, it is still part of the ACA and annual changes to this percentage are provided for under the law.
- **Special enrollment periods (SEPs) in the Exchanges:** The proposed rule would revise certain existing rules related to SEPs. For example, the proposed rule would shorten the time between the date a consumer enrolls in a plan through certain SEPs and the effective date of that plan, and would allow an SEP for individuals who are provided a qualified small employer health reimbursement arrangement (QSEHRA) with a non-calendar year plan year.

The proposed rule is also seeking comments on additional issues to address in the future, such as a new automatic re-enrollment process through the Exchange for consumers with \$0 plans after premium tax credits are applied. In an effort to reduce eligibility errors and potential government misspending, the rule proposes that a consumer's premium tax credit would be discontinued or reduced for a new plan year unless the consumer returns to the Exchange during the annual open enrollment period to update their application and receive a new eligibility determination.

Comments on the proposed rule must be submitted by March 2, 2020.