Expanding Health Coverage through Marketplace Facilitated Enrollment Programs

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Introduction

A well-known challenge in expanding health coverage is getting eligible people to enroll—more than half of the uninsured are eligible for subsidized coverage.[1] Efforts to increase take-up have often focused on carrots like generous subsidies,[2] sticks like individual mandate penalties,[3] and outreach to increase awareness of coverage options.[4] But recently, a new set of tools—collectively called facilitated enrollment programs—has gained prominence, especially at the state level. These interventions focus on leveraging existing interactions with the consumer to simplify, encourage, or automate enrollment, often with the help of behavioral nudges or innovative technology.

These approaches may be especially attractive to states since they are relatively inexpensive and increase enrollment in programs that the federal government primarily subsidizes. They also address a growing awareness that administrative burdens—the informational, compliance, and psychological costs of navigating administrative processes—impede access to government benefits (Herd and Moynihan 2018), especially for people of color and other historically disadvantaged groups.

The past few years have seen a burst of new facilitated enrollment programs tied to state-based Marketplaces (SBMs). Since Maryland established its "easy enrollment" program in 2019, 18 other states—including virtually every state with an SBM—have adopted some form of facilitated enrollment.

There are three key design questions for any facilitated enrollment program: the existing interaction that serves as the source of information and engagement, the specific information collected,

and how that information is used to advance enrollment. Other potential design issues include the provision of a special enrollment period (SEP), coordination with a state subsidy, and a plan selection algorithm.

Currently, there are two predominant models. The first uses state income tax filing—a key moment of consumer engagement with the state—to ask about any uninsured family members and for permission to share information with the Marketplace, which then uses it for outreach and, in some cases, other purposes, like estimating eligibility. The second model seeks to ease transitions to Marketplace coverage for consumers exiting Medicaid,[5] which is particularly relevant during the unwinding of the Medicaid continuous coverage requirement. This approach typically goes further down the path to enrollment, with measures like projecting eligibility for Marketplace subsidies, choosing a plan, or even effectuating enrollment.

This paper focuses primarily on programs run by SBMs, which can lead to either Marketplace or Medicaid/CHIP coverage. Many of the same techniques could be employed by Medicaid agencies or the federal Marketplace.

A key outstanding question is how effectively these programs can drive coverage growth. The more advanced versions are so nascent that there is little evidence of their impact. But they are clearly a less expensive means of expanding coverage than other options like state-supported subsidies. Thus, experimentation is likely to continue.[6]

What Is Facilitated Enrollment?

Facilitated enrollment refers to a range of measures that help people enroll in health coverage by leveraging existing interactions with the state. Information collected during these interactions may be used to contact the consumer, establish an account, estimate eligibility, or suggest a plan. Existing interactions may also provide opportunities to collect additional information and urge consumers to enroll at moments when the state has their attention.

Facilitated enrollment programs often make strategic use of information technology (IT). For example, a state may build IT systems allowing information sharing between the separate databases of its unemployment uninsurance program and Marketplace.

Facilitated enrollment often uses behavioral nudges to help people enroll, for example, prepopulating a Marketplace application and choosing a plan to mitigate the administrative burdens of enrollment.

In short, facilitated enrollment programs help advance the consumer through the steps necessary for enrollment—becoming aware of the coverage, creating an account, filling out the application, and choosing a plan—to increase the chances that eligible consumers get covered.

Considerations for Adopting Facilitated Enrollment

The case for state facilitated enrollment programs is simple: it's an inexpensive way to increase enrollment in coverage for which people are eligible.

Failure to enroll in subsidized coverage is a major cause of uninsurance. Of the 27.5 million uninsured in 2021, 7.4 million were eligible for Medicaid or other public coverage, and 9.9 million were eligible for Marketplace subsidies.[7] More than half of those eligible for Marketplace subsidies could receive a free plan if they enrolled (McDermott and Cox 2021).

Lack of knowledge of the Marketplace is a key barrier. A 2021 survey found that only 48.2 percent of uninsured adults had heard a lot or some about the Marketplaces, and only 32.2 percent had heard of Marketplace subsidies.[8] But other administrative burdens are also barriers. The health care system is highly segmented, requiring frequent coverage transitions for changes in income, job status, or family structure. The premium tax credit is governed by complex rules and involves the risk of additional tax liability that may deter some consumers.[9] The choice of a plan may be confusing, involving technical terms and an overload of options (Herd and Moynihan 2018). Facilitated enrollment in its various forms can help overcome these barriers.

This can also help address inequities in health and health coverage. Administrative barriers are especially likely to affect people of color and other historically disadvantaged groups, who may be more likely to face language barriers, experience changes in circumstances and contact information, and lack the resources to overcome these barriers (Herd and Moynihan 2020). In the first three years of Maryland's facilitated enrollment program, enrolled members were more likely to be younger and nonwhite (Dorn and Rivkin 2022). Similarly, in the first six months of Massachusetts's autoenrollment program, autoenrolled members were more likely to be younger, noncitizen, and nonwhite compared with active enrollees.[10]

Because facilitated enrollment programs are so new and quickly evolving, there is not yet clear evidence about their effectiveness in increasing coverage. Initial data released by CMS about the Medicaid unwinding shows that, in states with more advanced programs for facilitating transitions from Medicaid to Marketplace, a substantial fraction of consumers who make the transition do so with the assistance of these programs.[11] However, these data do not permit a determination of how many of these consumers would have enrolled without these programs. Otherwise, available evidence is generally based on the more limited forms of facilitated enrollment (mostly outreach) that were rolled out earlier. This evidence mostly comes from the period when the Medicaid continuous coverage requirement was in effect, meaning fewer low-income people were uninsured, and virtually none were transitioning off of Medicaid. As such, it is unsurprising that this evidence shows only modest effects.[12] More compelling data comes from a federal program to send outreach letters to those identified as uninsured using data from the ACA individual mandate. It found coverage gains in the tens of thousands and a mortality reduction in the thousands.[13] The coming months and years will bring evidence about more ambitious measures and performance during the unwinding.

That said, there is little doubt that facilitated enrollment programs are relatively cost-effective at expanding coverage compared with other options like state premium subsidies. Costs for a facilitated enrollment program may run into the hundreds of thousands of dollars for one-time IT changes and ongoing outreach costs. For example, the fiscal note for Maryland's tax-based program estimated its cost at $295,000 in the first year and $45,000 per year after that.[14] The Maryland Marketplace's cost for an unemployment insurance–based system was $400,000 the first year and $168,000 per year after that.[15] Conversations with other states also suggest modest costs. Similarly, the federal outreach letters described above cost only a few million dollars, or about $13 per additional year of coverage (Goldin, Lurie, and McCubbin 2020). By contrast, state subsidies typically cost millions or tens of millions per year *in each state* and hundreds of dollars per enrollee, much of which goes to those who would enroll anyway.[16]

Such programs are also attractive to states because the federal government heavily subsidizes the resulting coverage, which brings federal funds into the state. For example, advance payments of the premium tax credit (APTC) cover 79 percent of Marketplace premiums on average (CMS 2023).

These programs are also likely less controversial than state options like subsidies, individual mandates, and public options—Maryland's was enacted on a bipartisan basis with overwhelming support (Cardenas and Levitis 2021).

The biggest challenge in a facilitated enrollment program is often technical. State IT systems must speak to each other. Tax returns, which are often crowded, must be modified to fit additional questions. That said, states can ease into it. Several states started with relatively simple programs—using contact information for outreach—then progressed to more challenging efforts, like prepopulating an application.

Key Design Issues

For any facilitated enrollment program, there are three primary design questions:

- What existing state interaction is being leveraged?
- What information about the individual is collected?
- How is this information used to facilitate enrollment?

The existing interaction may be any situation where the individual engages with and provides information to the state (or an entity that reports to the state): tax filing, applying for a state benefit, completing an application for health coverage at some earlier time, or disenrolling from commercial coverage.

The information collected is typically data elements that are needed to contact the consumer and complete the Marketplace application: names of family members, taxpayer identification numbers (TINs), address and contact information, income, information about other health coverage, immigration status, and consent to check tax return information, enroll, and receive APTC.

The specific information collected depends on the source. A tax return is a reliable source for names, TINs, contact information, family structure, and income information, though its backward-looking nature makes it imperfect for prospective eligibility determinations. State benefit programs like unemployment compensation or SNAP typically collect at least names, TINs, and contact information and may also have timely and reliable income information.[17] If a consumer has previously enrolled in a state health program, like Medicaid, the completed application may provide much or all of the needed information, though it may be outdated. If a consumer has completed a Marketplace application but has not chosen a plan, the state may have a full set of current information. Table 1 summarizes data generally available from various sources.[18]

Many of these existing interactions allow the state to ask additional questions and capitalize on the consumer's attention. People are busy and suspicious and receive a daily marketing barrage, so they may not respond to unsolicited outreach. But if an inquiry about health insurance status is built into an income tax return or an unemployment compensation portal, consumers are more likely to see it and trust that it comes from a legitimate source. Similarly, an ongoing interaction with the state creates an opportunity to encourage enrollment before the consumer's attention shifts to something else.

TABLE 1

Potential Data Sources and the Information Each May Provide

Existing interaction	Identifying and contact information	Family members	Income	Current coverage status	Information about other coverage offers
State income tax filing	Yes	Yes	Yes, from prior year	Can ask	No
State individual mandate form	Yes	Yes	Yes, from prior year	No, prior year only	No
Claiming unemployment compensation	Yes	Generally no	Yes, current monthly	Can ask	No
Claiming other state benefits (SNAP, TANF)	Yes	Generally yes	Yes, current monthly	Can ask	No
Disenrollment from Medicaid	Yes	Yes	Yes, current monthly	Medicaid only	No
Completion of Marketplace application without plan selection	Yes	Yes	Yes, current monthly and projected annual	Yes	Yes
Disenrollment from commercial health insurance	Yes	Generally yes	No	Only for the disenrolled coverage	No
Private coverage databases	Yes	Generally yes	No	Maybe	No

Source: Authors' analysis.

Notes: These sources may also permit additional inquiries; for example, a state portal for enrolling in SNAP could request consent to enroll the consumer in Medicaid.

Facilitated enrollment programs use the information collected to encourage enrollment in a wide range of ways, depending on the information available, its accuracy and timeliness, and the IT capacity

of the state. The simplest use is generic outreach—a form letter or email from the Marketplace encouraging the consumer to come in and apply. If income information is available, this outreach may be customized with an estimated eligibility determination. If IT capacity permits, the state may create a Marketplace account for the consumer and prepopulate the application with available information. If the state has the full set of application information—including things like immigration status and, for Marketplace subsidies, access to employer coverage and tobacco use—the state can conduct an eligibility determination. The state may also select a default plan for the consumer, in which case an assignment algorithm must be developed. If the state has full information and any necessary consent from the consumer, it may be able to complete the process without additional action by the consumer—an arrangement often referred to as automatic enrollment. Box 1 summarizes these data uses.

BOX 1

Potential Data Uses in Facilitated Enrollment Programs

Each successive option use generally requires greater information and technical capacity.

- Outreach
- Estimate eligibility
- Prepopulate an application
- Full eligibility determination
- Plan recommendation
- Sign-here approach
- True automatic enrollment

Beyond these three basic questions, additional design issues include the following.

- **SEPs.** Most facilitated enrollment programs come with a SEP to allow immediate Marketplace enrollment rather than waiting for the next open enrollment period. For example, tax-based programs generally permit enrollment after tax filing when the Marketplace contacts the consumer. This is important to shorten the period of uninsurance and use consumers' information when it is still relatively recent. CMS regulations give SBMs broad authority to establish SEPs.[19][18]
- **State subsidies.** States can help consumers transition to Marketplace coverage under facilitated enrollment programs by attaching subsidies that pay premiums for one or more months. This may be especially valuable if the subsidy zeroes out the consumer's required premium since there is evidence that even small premiums significantly depress enrollment.[20] For example, Rhode Island pays the full premium for two transition months for consumers with

incomes up to 250 percent of the federal poverty level (FPL), including those who are autoenrolled.[21]

- **Plan selection algorithms.** Programs that select a default plan on behalf of the consumer need a set of rules for picking a plan that suits the consumer's needs. There is no consensus on the best algorithm, but considerations include taking advantage of cost-sharing reductions if eligible (which requires a silver plan), minimizing the premium, continuity with the consumer's earlier plan (if, for example, the consumer was recently in a Medicaid managed care organization, continuity with the consumer's providers, distributing consumers to avoid over-burdening any plan, and plan design factors like benefits and network adequacy. Every program that selects a plan for the consumer gives the consumer the opportunity to opt for a different one.
- **Reconciliation risk under fully automatic enrollment.** The strongest form of facilitated enrollment is automatic enrollment, where a consumer who takes no action may be enrolled with the opportunity to opt out. This has the advantage of more fully eliminating administrative burdens. However, it raises unique issues because the premium tax credit is advanced to consumers based on projected income (and other characteristics) and then reconciled on the tax return based on actual income. As a result, if a consumer is automatically enrolled into coverage with APTC but turns out to be eligible for less or ineligible—for example, because they were enrolled in other coverage or had income higher than the Marketplace believed—they may owe back thousands of dollars at tax filing. Because of this risk, consumers must generally consent to receiving APTC, including agreeing to file a tax return. Yet states can still do automatic enrollment by collecting consent at an earlier encounter and then effectuating enrollment later—Rhode Island does this with its automatic transition from Medicaid to Marketplace coverage, as does Massachusetts for those who have completed the Marketplace application but failed to choose a plan.

  States have options to mitigate the reconciliation risk. For example, Rhode Island uses multiple data sources to maximize visibility into current income and coverage, performs robust outreach to those enrolled, and offers opportunities to opt out, including retroactively. A state could also potentially shield consumers from APTC reconciliation by paying for any repayments, though implementing such a policy could be challenging.

  Automatic enrollment into Medicaid does not raise this issue since Medicaid does not involve reconciliation. In addition, Medicaid automatic enrollment may be more feasible because it requires less information—for example, it does not require information about ESI offers and tobacco use.[22]

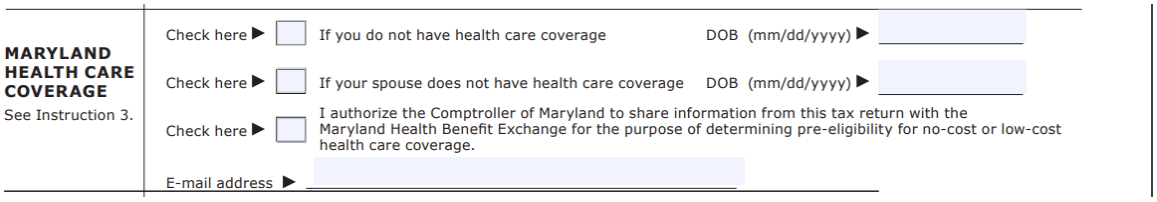
Types of Facilitated Enrollment Programs

Tax Return–Based Easy Enrollment

The most common data source for facilitated enrollment programs is state income tax returns—11 states have such programs, and another three are implementing them. A few states build this into a tax-based state individual mandate (Levitis 2018) (table 3), but the recent raft of programs, starting with Maryland's Easy Enrollment Program, stand-alone (table 2). Many simply add two questions to the tax return: (1) is any member of your household without health coverage, and (2) may the tax department share information about you with the state Marketplace so that it can help you get coverage? (figure 1). These questions may appear on the main return or a separate schedule. If the consumer answers yes to both, the tax department sends the Marketplace the consumer's contact information and other information relevant to eligibility, like family members and income. The Marketplace then uses this information for outreach and perhaps for other purposes like customizing outreach with an estimate of APTC eligibility. Because tax filing does not generally coincide with the open enrollment period, states generally offer a SEP permitting enrollment when the Marketplace contacts them.[23]

FIGURE 1

Example of Easy Enrollment Check Box from Maryland Tax Return



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Source: "Resident Income Tax Return," marylandtaxes.gov, accessed November 2, 2023.

This approach has several advantages. It leverages a moment of attention for a huge number of consumers at all income levels.[24] Asking about coverage allows the state to target outreach to consumers who lack and want coverage and who will know to look for and trust the outreach. Because of penalties for inaccurate tax filing, the information provided is likely to be accurate.

This approach also has limitations. First, the tax return includes prior-year income, while eligibility for advance PTC payments (APTC) is based on projected income for the coverage year. This limits the accuracy of an eligibility estimate relying on the tax data alone. Second, the tax return does not include certain information needed for an eligibility determination, like employer coverage offers. These concerns could be mitigated by asking additional questions about the current year, but both tax agencies and tax preparers may be concerned about including nontax information in the filing process. Another limitation is that this approach is limited to states with state income taxes. Nine states do not have a broad-based income tax, including Nevada and Washington, which operate SBMs.[25]

This approach is especially straightforward for states with individual coverage requirements, as coverage information is already collected on the tax return. Outreach may come from the state tax department or the Marketplace. Where it comes from the tax department, the tax department and Marketplace generally collaborate on outreach materials. This approach is taken by federal outreach letters (Goldin, Lurie, and McCubbin 2020). While such outreach is likely to be less customized, consumers may be more likely to open a letter from the state tax department than from the state Marketplace, which may be unfamiliar.

Most states enact tax-based programs through legislation, but that may not be necessary. Pennsylvania implemented such a program after determining that its existing law provided sufficient authority. For states that use legislation, legislation can be drafted to provide flexible authority that permits the Marketplace to start with simple data uses and progress to more advanced approaches.[26]

States should consider how such programs will be implemented in tax preparation software, which (between consumer-facing products and those employed by tax preparers) accounts for the vast majority of returns filed (IRS 2023). If the new questions are included in an optional schedule (a tax form that is not required to be included with the return), vendors may decide not to build them into software. A state could address this concern by including new questions on the main return, requiring the additional schedule, or perhaps engaging with the software vendors, which often have well-established relationships with tax departments.

TABLE 2

Tax-Based Facilitated Enrollment Programs (Not Using an Individual Mandate)

State	Data source	Uses of information	Effective date	Associated SEP	Legal authority
Colorado	Check box on DR 0104 (main tax return) plus DR014EE (health care schedule)	Outreach	TY 2021	Yes	HB 20-1236
Connecticut	TBD	Outreach with eligibility estimate	TY 2023	TBD	PA 23-204 Sec 300
Illinois	Form IL-1040 (main tax return)	Outreach	TY 2022	Yes[a]	HB 5142
Maine	TBD	Outreach	TY 2023	Yes	LD 1390
Maryland	Maryland Form 502 (main tax return) and Form 502b	Outreach	TY 2019	Yes	Md. Code, Ins. § 31-202
Minnesota	TBD	Outreach with eligibility estimate	TY 2024	Yes	SF 2995
New Jersey	TBD	Outreach with eligibility estimate	TY 2023	Yes[b]	A674
New Mexico	Form PIT-1 (main tax return)	Outreach	TY 2022	Yes	HB 95
Pennsylvania	REV-1882 (separate health care schedule)	Outreach with eligibility estimate	TY 2021	Yes	Pennsylvania uses existing tax administration authority
Vermont[c]	IN-111 (main tax return)	Outreach	TY 2020	No, but outreach is aligned with OEP	H.696 (Act 182)
Virginia	Resident Form 760 (main tax return) and Schedule HCI (health care schedule)[d]	Outreach	TY 2022/2023	TBD	HB 1884

Source: State laws and forms cited above and communication with state officials.

Notes: TY = tax year; TBD = to be determined; SEP = special enrollment period; OEP = open enrollment period.

a. Illinois enacted facilitated enrollment legislation in 2022 and legislation creating an SBM in 2023. The facilitated enrollment legislation provided that a SEP would be provided when and if an SBM was adopted.

b. New Jersey's facilitated enrollment law also exempts individuals using it from individual mandate penalties for the year in which the return is filed.

c. Vermont is sometimes considered to have an individual mandate. Its law includes a coverage requirement, but there is no penalty for uninsured people.

d. These tax forms are for TY 2022 when filers could check a box to have their information shared with VA's Medicaid agency. In 2023, a check box to share information with the Virginia Health Benefit Exchange will also be added.

TABLE 3

Tax-Based Facilitated Enrollment Tied to Enforcement of a State Individual Mandate

State	Data source	Uses of information	Effective date	Associated SEP	Legal authority
California	Form 3853	Outreach with eligibility estimate	TY 2020	Yes	Senate Bill 78, see Section 100720
District of Columbia	Schedule HSR	Outreach from tax agency	TY 2019	No	Chapter 51 of Title 47 of the Code of the District of Columbia
Massachusetts	Schedule HC	Outreach from Marketplace with eligibility estimate	TY 2021	Yes	Section 8 of Chapter 176Q of the General Laws, as amended by sec. 58 of the 2022 Budget as Enacted
Massachusetts	Schedule HC	Outreach from tax agency	TY 2015	No, but this outreach is aligned with OEP	
New Jersey	Schedule NJ-HCC	Outreach	TY 2019	Not originally, but see table 2	A3380
Rhode Island	Form IND-HEALTH	Outreach letters from tax agency	TY 2020	Yes	R.I. Gen. Laws § 44-30-101

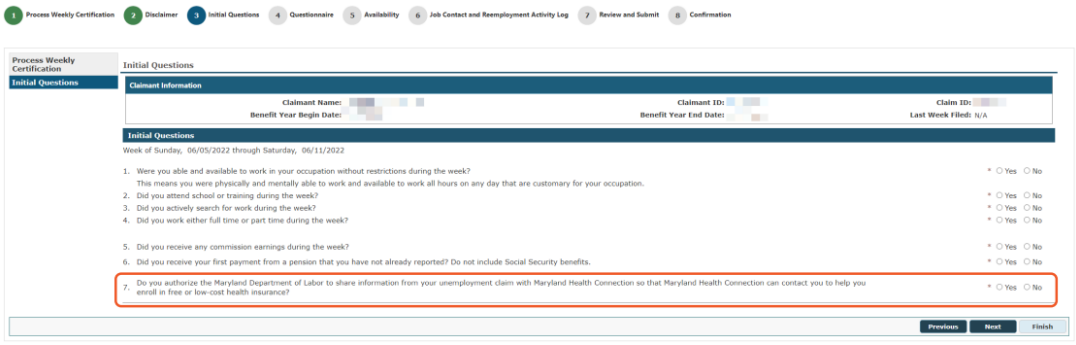
Source: State laws and forms cited above and communication with state officials.
Notes: SEP = special enrollment period; TY = tax year; OEP = open enrollment period.

Programs Leveraging Other State Administrative Sources

Similar to the tax-based approach, some states facilitate enrollment using administrative data from state benefit programs (table 4). Five states—California, Kentucky, Maryland, New Jersey, and Rhode Island—use information from the state unemployment insurance agency. For example, Maryland's unemployment insurance portal has a check box to agree to share information with Maryland Health Connection (figure 2).[27] Some states have created a SEP for these programs, while others rely on existing SEPs. California also requires commercial carriers to report information on those who have lost coverage to the state Marketplace (Covered California) for outreach purposes.

FIGURE 2

Example of Easy Enrollment Check Box from Maryland's Unemployment Insurance Portal



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Source: Maryland Health Connection.

TABLE 4

Facilitated Enrollment Programs Using Other (Non-Tax) State Administrative Data

State	Brief description	Source of information	Uses of information	Effective date	Associated SEP	Legal authority
California	Outreach to individuals losing commercial coverage	Health insurers	Outreach	2021	Not explicit but may be eligible for loss-of-MEC SEP	SB-260
California	Outreach to individuals newly applying for unemployment insurance	Unemployment insurance application	Outreach	2023	Not explicit but may be eligible for loss-of-MEC SEP	SB 644
Kentucky	Outreach from unemployment agency to individuals newly applying for benefits	Unemployment insurance application	Outreach	2023	Not explicit but may be eligible for loss-of-MEC SEP	KRS 341.220.2
Maryland	Outreach to individuals with unemployment insurance	Unemployment insurance portal	Outreach	May 2022	Yes	HB 1002 Statute: Md. Code, Ins. § 31-108 and Md. Code, Lab. & Empl. § 8-109(b)
New Jersey	Outreach to individuals with unemployment insurance	Unemployment insurance application	Outreach from SBM	2024	Yes	Senate No. 1646
Rhode Island	Outreach to individuals newly applying for unemployment insurance	Unemployment insurance application	Outreach	Late 2022	Not explicit but may be eligible for loss-of-MEC SEP	Direct communication with HealthSourceRI staff

Source: State laws cited above and communication with state officials.

Notes: SEP = special enrollment period; MEC = minimum essential coverage.

Facilitating Transitions from Medicaid

Much of the recent progress in state facilitated enrollment programs has focused on easing transitions to Marketplace coverage for consumers losing Medicaid. The ACA made coverage affordable for millions of people, but eligibility is segmented. People seeing changes in income or other circumstances churn back and forth between Medicaid, APTC, and other coverage. Historically, few people losing Medicaid successfully enroll in the Marketplace, and successful transitions often come with a coverage gap (MACPAC 2022). These concerns are especially acute during the unwinding of the Medicaid continuous coverage requirement. Millions of consumers are expected to lose Medicaid, with a substantial share eligible for subsidized Marketplace coverage (Buettgens and Green 2021; ASPE 2022).

In principle, transitions between Medicaid and the Marketplace should be straightforward. The ACA requires a single, streamlined application for Medicaid, CHIP, and Marketplace coverage,[28] so individuals losing Medicaid should have already submitted the information necessary for Marketplace enrollment. But, in practice, the consumer experience is inconsistent across states and often burdensome. About half of the SBMs have eligibility systems that are "integrated," meaning that a single IT system handles eligibility and enrollment for both Marketplace coverage and Medicaid (and sometimes other state programs).[29] In states without integrated eligibility systems, transitioning from Medicaid to the Marketplace generally requires creating a new Marketplace account and applying for coverage anew.[30] Even states with integrated eligibility systems have typically required consumers to make substantial effort to switch between coverage types.

California was the first state to take strong action to facilitate Medicaid-to-Marketplace transitions, with 2019 legislation to make these transitions nearly automatic (table 5). Under the program, the state Marketplace, Covered California, uses available information for those losing Medicaid to complete an updated Marketplace application, run an eligibility determination, suggest a plan, and send the consumer a notice inviting them to opt in. The state is also piloting an outbound call campaign to consumers receiving these notices (Altman 2023). The consumer only needs to verify the application information and consent to enrollment. Alternatively, they can report different eligibility information, choose a different plan, or opt out of coverage and future communications. Figure 3 shows select screenshots from the user interface. Maryland has implemented a similar program for Medicaid unwinding.[31]

FIGURE 3

California's User Interface for Its Program Facilitating Transitions from Medicaid to Marketplace

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Source: Covered California.

For the unwinding, Rhode Island and Massachusetts have implemented programs that take the next step to full automatic enrollment for some people who lose Medicaid coverage and do not respond to outreach. Rhode Island's program effectuates enrollment for consumers estimated to have incomes up to 200 percent of FPL and is paired with a state subsidy that pays the consumer share of the premium for two months. Consumers are autoenrolled only if they gave consent as part of completing the single streamlined application, which is also used for Medicaid enrollment. As safeguards against undesired enrollment, the state performs extensive outreach and permits retroactive cancellation for up to 90 days. Massachusetts' program effectuates enrollment for consumers losing Medicaid who are eligible for a zero-premium Marketplace plan, which generally means those with incomes up to 150 percent of FPL, including lawfully present immigrants ineligible for Medicaid because of the five-year bar.[32] As with Rhode Island, autoenrollment is limited to consumers who consented to it when completing the single streamlined application. And like Rhode Island, Massachusetts provides outreach and on-screen alerts to mitigate the risk of unwanted enrollment. New York achieves a similarly seamless consumer experience for transitions into public coverage programs, including Medicaid, CHIP, and its basic health program (BHP). For example, if a consumer in a Medicaid managed care plan is redetermined eligible for the BHP (generally meaning they're an adult with incomes between 138 and 200 percent of FPL), the state can generally automatically enroll them in their managed care insurer's BHP product. A similar process applies for Marketplace enrollees who are redetermined eligible for one of these public programs.[33]

TABLE 5

Programs that Facilitate Transitions from Medicaid to the Marketplace

State	Description	Uses of information	Effective date	Notes	Legal authority
California	Nearly automatic transition from Medicaid to QHP	Eligibility determination and plan selection	2023	Consumer asked to confirm enrollment, or may switch plans or opt out of notifications	SB-260
District of Columbia	Eligibility determination following account transfer from Medicaid using combined portal	Account creation, eligibility determination	2023	Consumer may verify info, choose a plan, and enroll	
Idaho	Account creation and prepopulated application following account transfer from Medicaid	Account creation, populated application	2023	Consumer may claim account, verify information and enroll	
Massachusetts	Autoenrollment for consumers losing Medicaid and eligible for free Marketplace coverage	Plan selection and autoenrollment	April 2022	Consumer may consent during Medicaid enrollment	
Maryland	Nearly automatic transition from Medicaid to QHP	Eligibility determination and plan selection	2023	Consumer asked to confirm enrollment, or may switch plans or opt out of notifications	14.35.07.22
Maine	Account creation and prepopulated application following account transfer from Medicaid	Account creation, populate application	2023	Consumer may claim account, verify info, choose a plan, and enroll	
Nevada	Account creation and prepopulated application following account transfer from Medicaid	Account creation, populated application	2023	Consumer may claim account, verify info, choose a plan, and enroll	Executive Director's Report June 23, 2022
New York	Autoenrollment into BHP for consumers losing Medicaid (and vice versa)	Plan selection and autoenrollment	2023	Consumer may consent during original enrollment	
Pennsylvania	Account creation and eligibility determination following account transfer from Medicaid	Account creation, eligibility determination	2023	Consumer may claim account, verify info, choose a plan, and enroll	
Rhode Island	Autoenrollment for consumers losing Medicaid with income up to 200 percent of FPL into Marketplace	Plan section and autoenrollment	2023	Consumers may consent when enrolling in Medicaid. Subsidy pays any premium for first two month	HB 7123

Source: State laws cited above and communication with state officials.

Notes: QHP = qualified health plan; BHP = basic health program; FPL = federal poverty level.

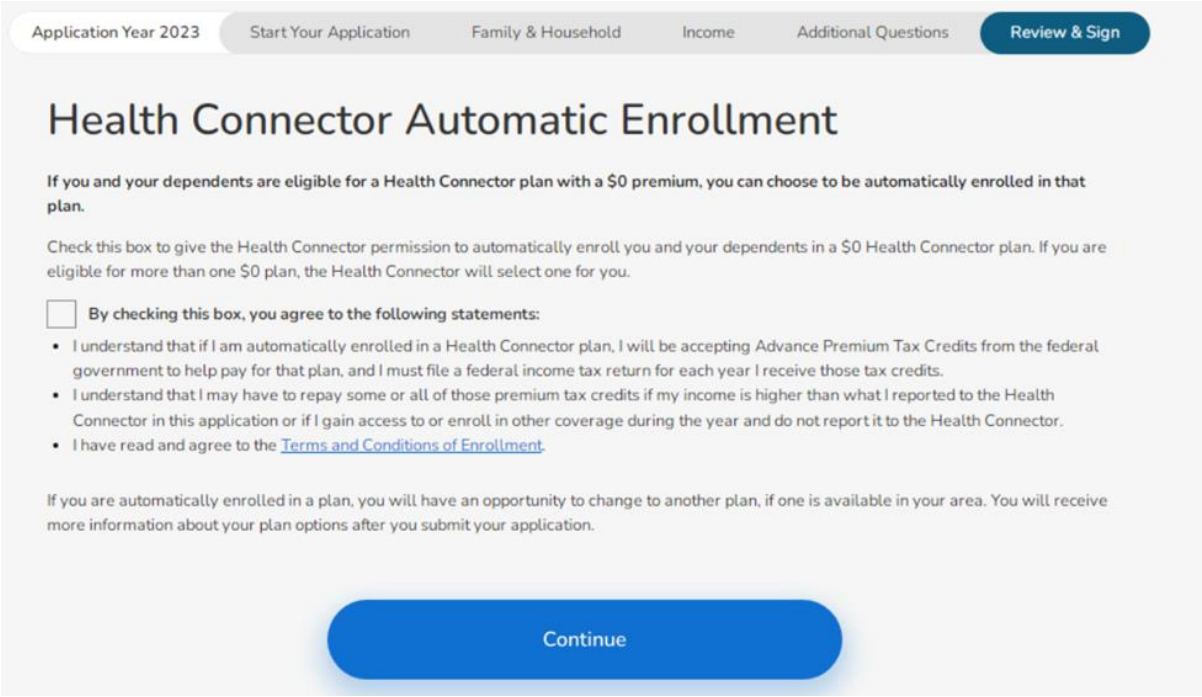
States without integrated eligibility systems also have options for facilitating transitions. A key step is an "account transfer," which means sharing information from a consumer's Medicaid account with the Marketplace.[34] Until recently, account transfer was fairly rudimentary—the Medicaid agency would send the Marketplace contact information and perhaps other data points to be used for outreach, and the consumer would need to create a Marketplace account from scratch and re-enter all of their application information. This arrangement was necessary in many cases because the Medicaid and Marketplace IT systems couldn't talk to each other well enough for Medicaid data to populate a Marketplace application. But recently, states have found ways to streamline the consumer experience. Under programs in the District of Columbia, Idaho, Maine, Nevada, and Pennsylvania, when a consumer's account is transferred from Medicaid to the Marketplace, the Marketplace uses information from the previous Medicaid application to create an account and perform an estimated eligibility determination.

Effectuating Enrollment for Consumers Who Fail to Choose a Plan

Another scenario where states have pursued full autoenrollment is when a consumer completes a Marketplace application and provides the requisite enrollment consent but fails to select a plan—especially if they are eligible for free coverage. Massachusetts' autoenrollment program, described above, addresses this situation. Consumers who consent to enrollment but fail to select a plan—and who are eligible for zero-premium coverage—are enrolled in a plan selected by the Marketplace, with the opportunity to opt out or change plans (figure 4). Maryland's program also effectuates enrollment for consumers in this situation. Table 6 summarizes these programs.

FIGURE 4

Example of Consent for Automatic Enrollment Using a Completed Application, from the Massachusetts Health Connector Application Portal



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Source: Massachusetts Health Connector.

TABLE 6

Programs that Effectuate Enrollment for Those Who Consent to Enrollment but Fail to Select a Plan

State	Description	Uses of information	Effective date
Maryland	Effectuate enrollment for consumers who complete the application, are eligible for free coverage, and consent to enrollment but fail to select a plan	Plan selection, autoenrollment	2023
Massachusetts	Effectuate enrollment for consumers who complete the application, are eligible for free coverage, and consent to enrollment but fail to select a plan	Plan selection, autoenrollment	2022

Source: Authors' analysis and conversations with state Marketplace officials.

Potential Expansion beyond State-Based Marketplaces

Facilitated enrollment strategies like the ones discussed above could be adopted by the federal government or states without SBMs. For example, federal or non-SBM state income tax returns could include questions like those described above. Information collected could then be used by the tax agency or shared with the federal Marketplace or state Medicaid agencies for outreach or other

purposes.[35] Illinois was on track for this approach—sharing coverage information collected on the tax return with its Medicaid agency—until it enacted legislation creating an SBM.

Other state agencies—like unemployment offices and those administering other benefits—could similarly collect coverage information and share it with the federal Marketplace or state Medicaid agencies.

The federal Marketplace could also work towards some of the advanced account transfer methods being developed by SBMs without integrated eligibility systems.

Conclusion

Enrolling those who are eligible but uninsured is crucial to expanding coverage and addressing health disparities. Streamlining the consumer experience is key to increasing take-up. Ultimately, this may require Congress to change our highly segmented system to require fewer coverage transitions. But in the meantime, states have options to smooth these transitions and ease enrollment. Facilitated enrollment offers several promising tools. So far, these have been pursued primarily by SBMs, but other state agencies and the federal government may also find them worthwhile to explore.

Notes

1 "Distribution of Eligibility for ACA Health Coverage among the Remaining Uninsured," KFF, accessed October 26, 2023, https://www.kff.org/health-reform/state-indicator/distribution-of-eligibility-for-aca-coverage-among-the-remaining-uninsured/.

2 Jason Levitis and Sonia Pandit, "Supporting Insurance Affordability with State Marketplace Subsidies," *State Health and Value Strategies*, March 11, 2021, Princeton, NJ: Princeton University, https://www.shvs.org/supporting-insurance-affordability-with-state-marketplace-subsidies/. Update forthcoming.

3 State-level individual shared responsibility payments are in effect in California, the District of Columbia, Massachusetts, New Jersey, and Rhode Island. Vermont has enacted a coverage mandate but not a penalty. See Tolbert et al. 2019. For additional background, see Levitis 2018.

4 Julie Bataille, "How State-Based Marketplaces Can Maximize Consumer Outreach during Open Enrollment," *State Health and Value Strategies*, October 1, 2021, Princeton, NJ: Princeton University, https://www.shvs.org/how-state-marketplaces-can-maximize-consumer-outreach-during-open-enrollment/.

5 This paper generally uses "Medicaid" to refer to both Medicaid and CHIP.

6 This paper focuses on programs that can be enacted without federal legislation or other action, such as changes in regulations or waiver approval. These avenues would open additional options. See, for example, Blumberg, Holahan, and Levitis 2021 and Young 2019.

7 "Distribution of Eligibility for ACA Health Coverage among the Remaining Uninsured."

8 Jennifer M. Haley and Erik Wengle, "Uninsured Adults' Marketplace Knowledge Gaps Persisted in April 2021," Urban Institute, September 28, 2021, https://www.urban.org/research/publication/uninsured-adults-marketplace-knowledge-gaps-persisted-april-2021.

[9] Kaye Pestaina and Karen Pollitz, "Navigating the Family Glitch Fix: Hurdles for Consumers with Employer-Sponsored Coverage," *KFF* (blog), November 21, 2022, https://www.kff.org/health-reform/issue-brief/navigating-the-family-glitch-fix-hurdles-for-consumers-with-employer-sponsored-coverage/; and Joel Zinberg, "One Easy Obamacare Fix," *US News & World Report*, August 19, 2015, https://www.usnews.com/opinion/economic-intelligence/2015/08/19/obamacare-tax-credit-confusion-is-easily-fixable.

[10] Sept SHVS Facilitated Enrollment Meeting, on file with author.

[11] "State-based Marketplace (SBM) Medicaid Unwinding Report," CMS, accessed October 26, 2023, https://data.medicaid.gov/dataset/5670e72c-e44e-4282-ab67-4ebebaba3cbd.

[12] For example, Maryland has reported that, from 2020 to 2022, 100,285 Maryland residents checked the box on the tax return and were determined eligible for coverage, and 10,267 Maryland residents enrolled in Medicaid or Marketplace coverage as a result. These estimates do not include those who enrolled during the 2022 OEP. Most of these consumers enrolled in Medicaid. In the first four and one-half months of Maryland's Unemployment Easy Enrollment program, 22,765 residents checked the box for help to get insured, 21,886 were given a notice that they were eligible for a SEP, and 5,272 enrolled coverage, with the vast majority (93.9 percent) enrolling in Medicaid (Dorn and Rivkin 2022).

As of May 2023, over 470,000 Maryland Marketplace applicants agreed to be autoenrolled in a $0 plan if they qualified and did not select a plan. Because of this, nearly 1,700 individuals have been autoenrolled for 2023 coverage (Massachusetts Health Connector 2023).

During the first year of Colorado's easy enrollment program, 2022, they had 1,188 enrollments in the Marketplace. Additionally, there were nearly 30,000 positive determinations for Medicaid. This came from 140,000 households (representing 250,000 individuals) checking the box. Ninety-three percent of these households provided their email address, and 80 percent of their new enrollees received financial assistance (Connect for Health Colorado 2022).

During the first year of Pennsylvania's Easy Enrollment Program, 2022, they sent over 86,000 notices. As a result, 817 consumers claimed accounts and 560 household plan selections were made, leading to 443 enrollees. Additionally, 208 households were sent to the Medicaid agency (Pennie 2023).

In the first year of Massachusetts' simple sign-up program (tax-based easy enrollment), 15,000 filers checked the box, and Massachusetts Health Connector sent notices to most of these individuals. Forty-five percent of those who checked the box had interacted with Massachusetts Health Connector or Massachusetts Medicaid (Commonwealth Health Insurance Connector Authority 2022).

In Virginia's first year of easy enrollment, tax year 2022, they had over 60,000 filers check the box. It is too early to know how many of these consumers enroll. J. W. Caterine, "Over 60,000 Virginians Used Easy Enrollment in Medical Assistance Program's First Year," *Virginia Mercury*, August 31, 2023, https://www.virginiamercury.com/2023/08/31/over-60000-virginians-used-easy-enrollment-in-medical-assistance-programs-first-year/.

[13] The IRS sent letters to 3.9 million households, including 7.6 million individuals, which, in the following two years, compared with the control group, led to 52,388 additional consumers enrolling in coverage and 4,891 fewer deaths (Goldin, Lurie, and McCubbin 2020).

[14] Maryland State Senate, *Fiscal and Policy Note: Maryland Easy Enrollment Health Insurance Program*, Maryland General Assembly 2019 Session, SB 802.

[15] These estimates do not include costs to the Maryland Department of Labor; Maryland State House of Representatives, *Fiscal and Policy Note: Unemployment - Insurance Revisions and Special Enrollment Period for Health Benefits*, Maryland General Assembly2021 Session, HB 1002.

[16] Jason Levitis, "Considerations for a Virginia Marketplace Subsidy," Presentation to the HB 2332 Work Group, June 17, 2021, on file with author. See also the forthcoming update to Levitis and Pandit, "Supporting Insurance Affordability with State Marketplace Subsidies," cited in note 2.

[17] One potential source of comprehensive information about who has coverage comes from reporting on IRS Forms 1095-A, -B, and -C, as required by the ACA. But this information relates to coverage in the prior tax year, which makes it less useful than a consumer's answer about current coverage. In addition, states do not have access to these forms, though states can (and some do) separately require analogous reporting.

[18] Information about the various states programs is included in the exhibits below. Additional resources on state facilitated enrolment programs are available from State Health and Value Strategies at https://www.shvs.org/resource/state-facilitated-enrollment-resources/.

[19] Specifically, SBMs have broad authority to create SEPs for exceptional circumstances; "Department of Health and Human Services § 155.420 Special enrollment periods," *Code of Federal Regulations*, title 45 (2012): 831-832.

[20] Matthew Fiedler, "Eliminating Small Marketplace Premiums Could Meaningfully Increase Insurance Coverage," Brookings, June 29, 2022, https://www.brookings.edu/articles/eliminating-small-marketplace-premiums-could-meaningfully-increase-insurance-coverage/.

[21] "Transitioning from Medicaid to a Qualified Health Plan," HealthSource RI, accessed August 21, 2023, https://healthsourceri.com/transitions/.

New Mexico is also providing a state subsidy for individuals transitioning from Medicaid to the Marketplace as part of the unwinding, including for those who enroll through the state's facilitated enrollment program; "New Mexico's Medicaid Transition Premium Relief Program: Frequently Asked Questions v1.2," BeWellnm, accessed October 26, 2023.

[22] Federal Medicaid law may limit states' flexibility to streamline Medicaid enrollment. A group of senators recently sent a letter to CMS asking it to allow section 1115 waivers for programs that more fully automate Medicaid enrollment using administrative data. "Van Hollen Leads 15 Senators in Urging Biden Administration to Help Streamline Health Insurance Enrollment for Low-Income Families," U.S. Senator Chris Van Hollen of Maryland, June 1, 2023, https://www.vanhollen.senate.gov/news/press-releases/van-hollen-leads-15-senators-in-urging-biden-administration-to-help-streamline-health-insurance-enrollment-for-low-income-families.

[23] Additionally, data needn't go directly to the Marketplace. For example, in New Mexico, data is transferred to the Human Services Department, which builds an application for consumers to complete. After, if the consumer is not eligible for Medicaid, the account is transferred to the Marketplace. Source: direct communication with beWellNM staff.

[24] While people with incomes below the tax filing threshold are generally not required to do so, many do, either to collect tax benefits like the earned income tax credit or because of wage withholding that exceeds their tax liability.

[25] Timothy Vermeer, "State Individual Income Tax Rates and Brackets for 2023," Tax Foundation, February 21, 2023, https://taxfoundation.org/data/all/state/state-income-tax-rates-2023/.

[26] For example, Md. Code, Ins. § 31-202 states, "The Exchange, the Department, and the Comptroller shall develop and implement systems, policies, and practices that encourage, facilitate, and streamline determination of eligibility for insurance affordability programs and enrollment in minimum essential coverage to achieve the purposes of the Program."

[27] For additional discussion of facilitated enrollment programs leveraging unemployment programs, see Young and Lee 2020.

[28] *Patient Protection and Affordable Care Act*, sec. 1413, 42 USC 18083.

[29] "State-based Marketplace (SBM) Medicaid Unwinding Report," data.medicaid.gov, accessed November 14, 2023, https://data.medicaid.gov/dataset/5670e72c-e44e-4282-ab67-4ebebaba3cbd.

[30] Some states are partially integrated. For example, states may have separate eligibility processes for Medicaid but also allow the SBM to perform binding Medicaid eligibility systems—an analog of FFM "determination states." See "Medicaid & CHIP Marketplace Interactions," Medicaid.gov, accessed August 21, 2023, https://www.medicaid.gov/medicaid/national-medicaid-chip-program-information/medicaid-chip-enrollment-

data/medicaid-chip-marketplace-interactions/index.html. In that case, many Medicaid enrollees have a Marketplace account, eliminating the need for an account transfer.

[31] "MD 14.35.07.22.," Maryland.gov, accessed November 14, 2023, https://dsd.maryland.gov/regulations/Pages/14.35.07.22.aspx.

[32] "Non-citizens," MACPAC, accessed October 26, 2023, https://www.macpac.gov/subtopic/noncitizens/.

[33] "Open Enrollment & Renewals," New York State of Health, accessed November 14, 2023.

[34] For more information about account transfers, see Boozang, Kahn, and Dave 2021.

[35] As noted above, the IRS has done outreach to individuals believed to be uninsured, but the IRS currently receives information only about the prior year. Originally, this information was provided by the individual mandate. The IRS continues to receive reporting about coverage on 1095-series forms under Code section 6055, as added by the ACA. The IRS could collect more current information by asking about coverage in the current year (the year during which the return is filed).

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