



Massachusetts Division of Insurance

Consumer Alert

Change to Law for Buying Individual (Non-Group) Health Insurance:

After November 30, 2010, Enrollment Will Be Limited to Specific Periods

As part of the effort to reduce health-care costs for small businesses and working families, legislation was passed this year that includes initiatives to address the high increases in health insurance rates. One of the new initiatives creates specified open enrollment periods for individuals to purchase health insurance. The new enrollment periods become effective after November 30, 2010.

Previously, eligible individuals could purchase insurance at any time during the year. Some individuals, however, would buy insurance only when they needed medical services and then drop the coverage after the insurance paid for the cost of treatment. This practice causes health insurance rates to increase. The new law limits the times of year that insurance coverage is available for purchase so that individuals will buy coverage and keep it, rather than drop it when they do not need it, thereby driving costs lower for everyone.

After November 30, 2010, eligible individuals will be able to apply for and purchase coverage during the following open enrollment time periods:

2011:	January 1-February 15 and July 1-August 15
2012 and thereafter:	July 1-August 15

If you need new insurance, you may apply at any time on or before November 30, 2010, or between January 1, 2011 and February 15, 2011. Please note that once you submit an application during the open enrollment period, carriers are required to make coverage effective within 30 days of receipt of the completed application for eligible individuals. In other words, if you:

- require coverage by December 1, 2010, you should apply for coverage by October 31, 2010 in order to leave adequate time for approval.
- require coverage by January 1, 2011, you should apply for coverage by November 30, 2010 in order to leave adequate time for approval. (After November 30, 2010, carriers cannot process applications again until January 1, 2011, which means your coverage would not be effective until February 1, 2011.)

Exceptions for Certain Individuals

Under limited circumstances, individuals may purchase coverage at any time. For example, if you have recently lost employment-sponsored coverage or government-sponsored coverage, or if you are self-employed, you may apply for and purchase coverage outside of the open enrollment periods. The law also allows for individuals with “special circumstances” to request a waiver to obtain coverage outside of the enrollment periods.

Special Enrollment Waiver

If you do not qualify for the limited exceptions explained above, and believe you cannot wait for an open enrollment period to obtain coverage, you may apply to the Office of Patient Protection for an enrollment waiver. You must certify, under penalty of perjury, that you did not intentionally forgo enrollment during a regular open enrollment period for equivalent coverage for which you were eligible. The Office of Patient Protection will have a process to consider waivers for use on and after December 1, 2010.

More Information

The Division of Insurance expects the systems of all impacted carriers, intermediaries and other distribution channels to be updated as quickly as possible so that websites, promotional materials and phone lines properly notify interested individuals about the changes to the availability of coverage after November 30, 2010.

If you have questions about the new enrollment rules or any other health-insurance issue, please contact the Massachusetts Division of Insurance at 617-521-7794 or visit www.mass.gov/doi.