

# **Health Insurance Auto-Enrollment: The Potential Role of States**

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# Initially, A State Option

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- **Auto-enrollment into health insurance will involve some complexity.**
- **The federal government should be encouraging states to explore different models to see what works best.**
- **Federal financial support, in the form of start-up grants, can jump-start the effort.**
- **The federal government should also provide more tools to the states to make auto-enrollment easier.**

# A Structured Program

- **Congress should provide HHS with funding to run a state-administered program within a federal structure; funds would support building an IT and programmatic infrastructure.**
- **States would submit proposals to secure initial federal funding; applications should address key questions:**
  - **How will the state build an IT infrastructure to facilitate auto—enrollment?**
  - **How will consumers be assigned to health plans?**
  - **What options will consumers have to decline or change their coverage?**
- **Consumers auto-enrolled into insurance by states participating in this federal program would be held harmless for income diverging from the data states used for calculating eligibility (for year one).**

# Federally-Supported Flexibilities for States

- 1. Allow States to Establish Full-Year Eligibility to Federal PTCs and Medicaid Based on Prior Year Federal Tax Information (with Taxpayer Permission) or Other Credible Third-Party Data Sources (Federal Tax Data Should Be Made Easily Accessible for This Purpose)**
- 2. Provide Better Access to Federal Coverage Data to Improve Targeting**
  - Federal Employee Coverage Data
  - Medicare Coordination of Coverage Data
  - Health Plan ACA Section 6055 Data
  - Self-Insured Coverage Data (through and ERISA amendment for this purpose)
  - National Directory of New Hires Data (used for child support enforcement; health coverage could be added to it)
- 3. Allow States to Auto-Enroll Consumers of All Ages Into Catastrophic Coverage (Now Limited to 30 Years Old and Under)**
- 4. Encourage States to Be Creative About Using Existing Citizen Touch Points for Auto-Enrollment (Unemployment Insurance, DMV Applications, etc.)**