The Commonwealth of Kentucky

kynect State-Based Marketplace

State-Based Marketplace Policy and Procedures Certification Training Guide

February 13, 2026

Document Control Information

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Introduction

This Certification Course highlights some of the policies and procedures for the operation of the State-Based Marketplace. Agents and kynectors need to familiarize themselves with the policies and procedure to better serve Residents applying for health coverage through kynect.

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1. kynect health coverage Overview

1.1 kynect health coverage Overview

Slide Voice-over: kynect health coverage is Kentucky's State-Based Marketplace. kynect health coverage is a one-stop shop enabling Kentuckians to enroll in a range of health coverage options, including: Medicaid, Advance Premium Tax Credit (APTC), Qualified Health Plans (QHPs), Cost-Sharing Reductions (CSRs), Kentucky Children's Health Insurance Program (KCHIP), and Kentucky Integrated Health Insurance Premium Payment (KI-HIPP). Additionally, small employers are able to determine their eligibility to enroll in Small Business Health Options Program (SHOP) plans. Agents and kynectors assist Residents, families, and small employers in navigating the State-Based Marketplace (SBM) and the range of coverage options it provides.

1.2 kynect health coverage

Slide Voice-over: kynect offers Residents and small employers an integrated eligibility and enrollment process into Qualified Health Plans and other health insurance affordability programs. Agents and kynectors assist Residents with the eligibility and enrollment process by using kynect's portals. With a single application, Individuals and families can determine eligibility for the displayed programs. Residents can use the kynect health coverage online portal to determine eligibility for the listed programs.

kynect Health Coverage

kynect offers Residents and small employers an integrated eligibility and enrollment process into Qualified Health Plans (QHPs) and other health insurance affordability programs. Agents and kynectors assist Residents with the eligibility and enrollment process by using kynect's portals.

Single Application

- Medicaid (**MA**)
- Advance Premium Tax Credit (**APTC**)
- Kentucky Children's Health Insurance Program (**KCHIP**)

- Qualified Health Plans (**QHPs**)
- Cost- Sharing Reductions (**CSRs**)

- Supplemental Nutrition Assistance Program (**SNAP**)
- Kentucky Transitional Assistance Program (**KTAP**)
- Child Care Assistance Program (**CCAP**)

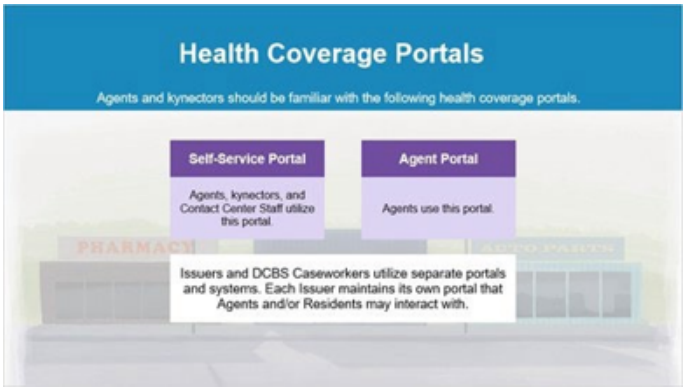
- Kentucky Integrated Health Insurance Premium Payment (**KI-HIPP**) Program

- Small Business Health Options Program (**SHOP**) plans

1.3 Health Coverage Portals

Slide Voice-over: Agents and kynectors should be familiar with the following health coverage portals: Self-service portal is used by kynectors, Agents, and contact center staff, whereas Agent Portal is used by Agents. Issuers and DCBS caseworkers utilize separate portals and systems. Each Issuer maintains its own portal that Agents and/or Residents may interact with.

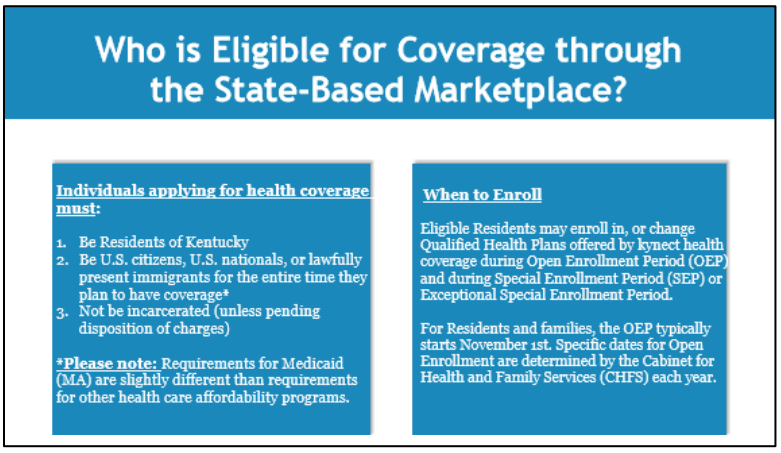
- **Self-Service Portal:** The kynectors, Agents, and Contact Center staff use the kynect Self-Service Portal (SSP) to help Residents with benefits applications. Residents enter basic demographic information for all household members, provide details on citizenship, marital or relationship status, tax filing status, household income, and select the programs they are applying for. With the assistance of Agents and kynectors through SSP, Residents can:
    - Use the Pre-Screening tool to estimate eligibility for benefits.
    - File an application for benefits, including Medicaid, Qualified Health Plans, and much more.
    - Review and compare Qualified Health Plans.
    - Select a Qualified Health Plan using a consumer-friendly decision tool.
- **Agent Portal:** The Agent Portal provides Agents with a customer management tool to help manage and create new business in Kentucky. The Agent Portal provides the ability to quickly manage existing accounts. Below are actions available to Agents through Agent Portal:
    - Create new Resident accounts
    - Browse plans
    - Generate reports and view all incoming kynect health coverage notifications and announcements
    - Create quotes

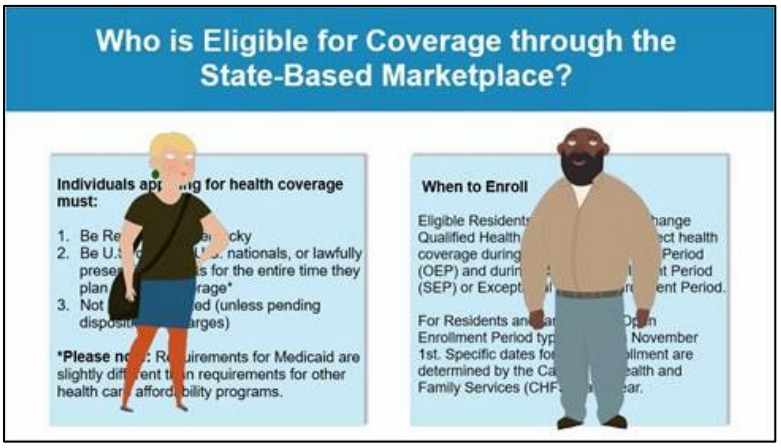


1.4 Eligibility

Slide Voice-over: **Who is Eligible for Coverage through the State-Based Marketplace?** Individuals applying for health coverage must: Be Residents of Kentucky, be U.S. citizens, U.S. nationals, or lawfully present immigrants for the entire time they plan to have coverage, and not be incarcerated (unless pending disposition of charges).

When to Enroll: Eligible Residents may enroll in or change Qualified Health Plans offered by kynect health coverage during an Open Enrollment Period or during a Special Enrollment Period (SEP) or Exceptional Special Enrollment Period. For Residents and families, the Open Enrollment Period typically starts November 1. Specific dates for Open Enrollment are determined by the Cabinet for Health and Family Services each year.



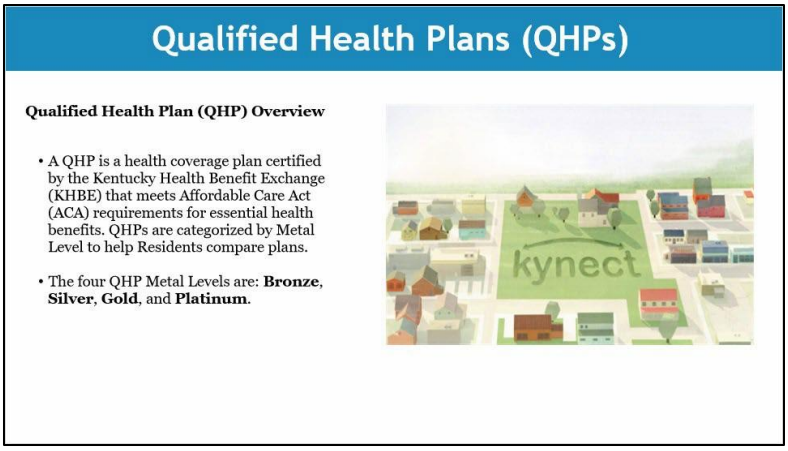


Please note: Requirements for Medicaid are slightly different than requirements for other health care affordability programs.

2. Qualified Health Plans (QHPs)

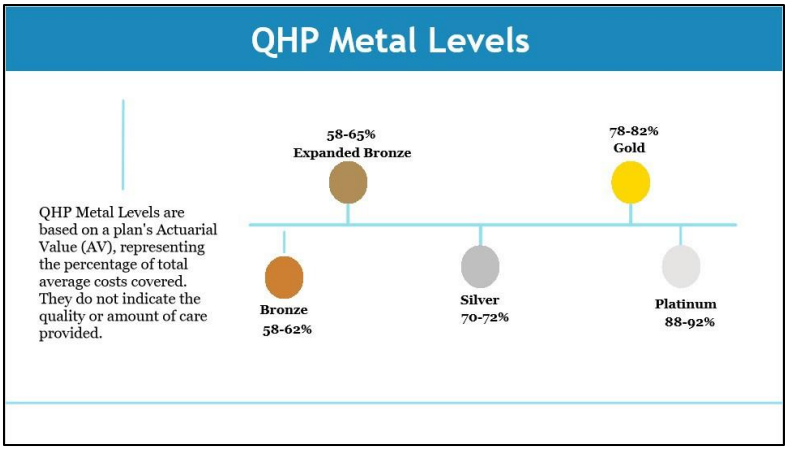
2.1 Qualified Health Plan (QHP) Overview

Slide Voice-over: A Qualified Health Plan is a health coverage plan certified by the Kentucky Health Benefit Exchange that meets Affordable Care Act requirements for essential health benefits. Qualified Health Plans are categorized by Metal Level to help Residents compare plans. The four Metal Levels are: Bronze, Silver, Gold, and Platinum.



2.2 QHP Metal Levels

Slide Voice-over: QHP Metal Levels are based on a plan's Actuarial Value, representing the percentage of total average costs covered. They do not indicate the quality or amount of care provided.



2.3 QHP Eligibility Requirements

Slide Voice-over: Qualified Health Plan Requirements:

1. Be a U.S. citizen.
    - U.S. nationals or lawfully present non-citizens who are reasonably expected to be so for the entire time they plan to have health coverage.
2. Not be incarcerated (unless pending the disposition of charges).
3. Live and plan to stay in Kentucky.
    - Residents may apply for Qualified Health Plans at any time during the year, but the Resident can only enroll in a plan during Open Enrollment and Special Enrollment Periods.
    - Residents receiving Medicare may not be eligible to purchase a Qualified Health Plan or receive Advance Premium Tax Credit.
    - Residents are NOT eligible to purchase a new QHP and receive APTC if they are currently enrolled in Medicaid, over 65 years old and receiving Medicare, and if they qualify for Employer Sponsored Insurance that meet minimum coverage requirements.

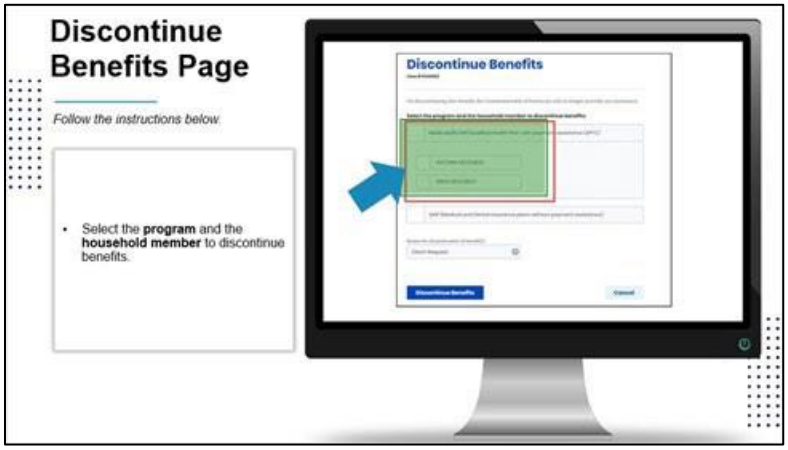
2.4 QHP Enrollment and Discontinue Process

Slide Voice-over: Individuals who are looking for affordable health coverage may enroll in a Qualified Health Plan via kynect health coverage. Individuals may apply for Qualified Health Plans at any time during the year, but Individuals can only enroll in a QHP during Open Enrollment and Special Enrollment Periods.

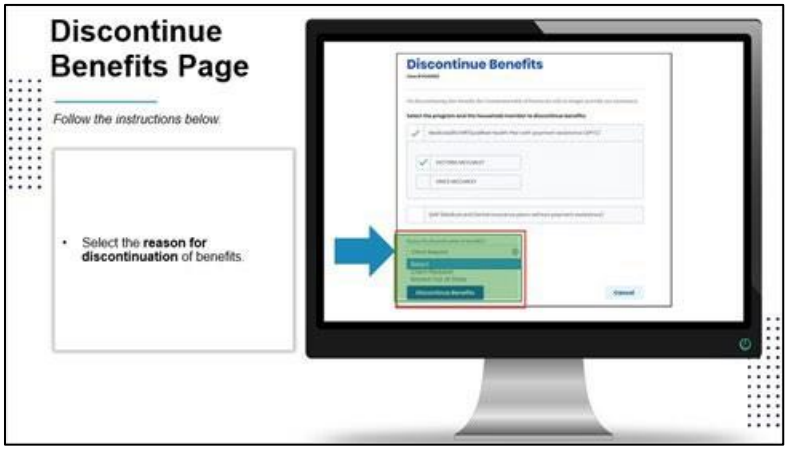
1. Navigate to the **Benefits** Page.

2. On the right, select the **Discontinue Benefits** Option.

3. From the **Discontinue Benefits** page, select the **program** and the **household member** to discontinue benefits.

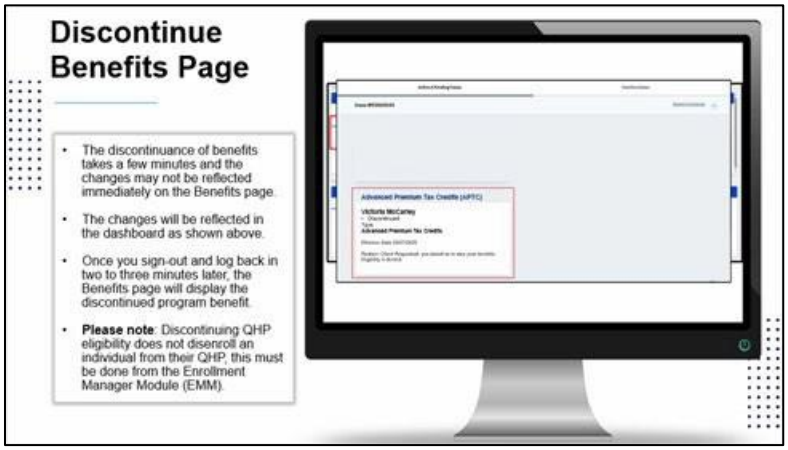


4. Select the **Reason for discontinuation of benefits** in the drop-down.



5. Select **Yes, Discontinue Benefits**.

Slide Voice-over: The discontinuance of benefits takes a few minutes, and the changes may not be reflected immediately in the **Benefits** page. The changes will be reflected in the dashboard as shown below. After signing-out and logging back in two to three minutes later, the **Benefits** page will display the discontinued program benefit.



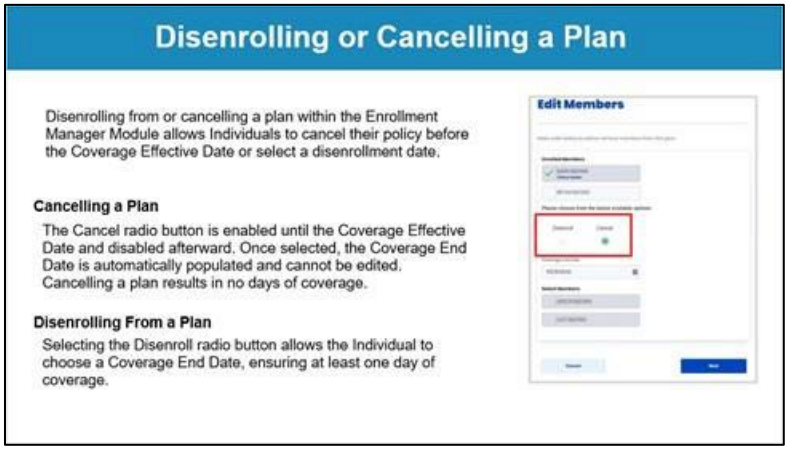
Please note: Discontinuing QHP eligibility does not disenroll an Individual from their QHP, this must be done from the **Enrollment Manager Module**.

2.5 Disenrolling or Cancelling

Slide Voice-over: Disenrolling or cancelling a plan within the Enrollment Manager Module allows Individuals to cancel their policy before the coverage effective date or select a disenrollment date.

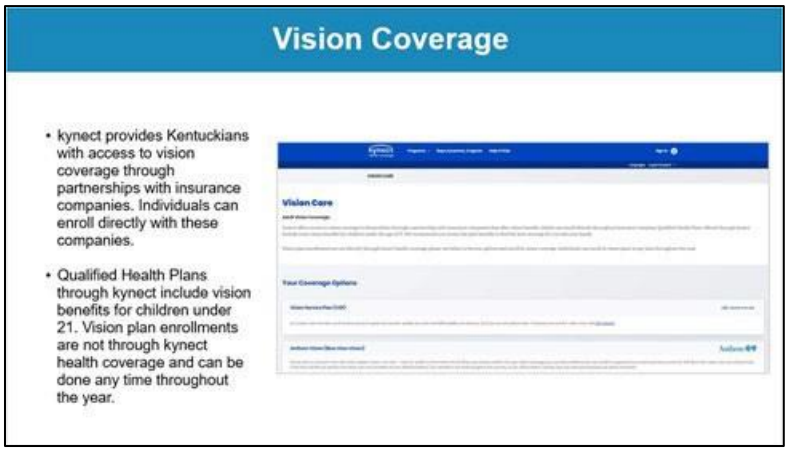
Cancelling a Plan: The **Cancel** radio button is enabled until the coverage effective date and disabled afterward. Once selected, the coverage end date is automatically populated and cannot be edited. Cancelling a plan results in no days of coverage.

Disenrolling from a Plan: Selecting the **Disenroll** radio button allows the Individual to choose a coverage end date, ensuring at least one day of coverage.



2.6 Vision Coverage

Slide Voice-over: kynect provides Kentuckians with access to vision coverage through partnerships with insurance companies. Individuals can enroll directly with these companies. Qualified Health Plans through kynect include vision benefits for children under 21. Vision plan enrollments are not through kynect health coverage and can be done any time throughout the year.



2.7 QHP Eligibility Requirements

Slide Voice-over: A catastrophic plan covers three primary care visits and preventive services, without cost-sharing but, offers no other benefits until the annual cost-sharing limit is met.
These plans have lower premiums, but enrollees pay all out-of-pocket costs until reaching the annual deductible. Enrollees are ineligible for Payment Assistance and must pay the quoted premium. Only Individuals under 30 or with a hardship exemption can enroll in catastrophic coverage.

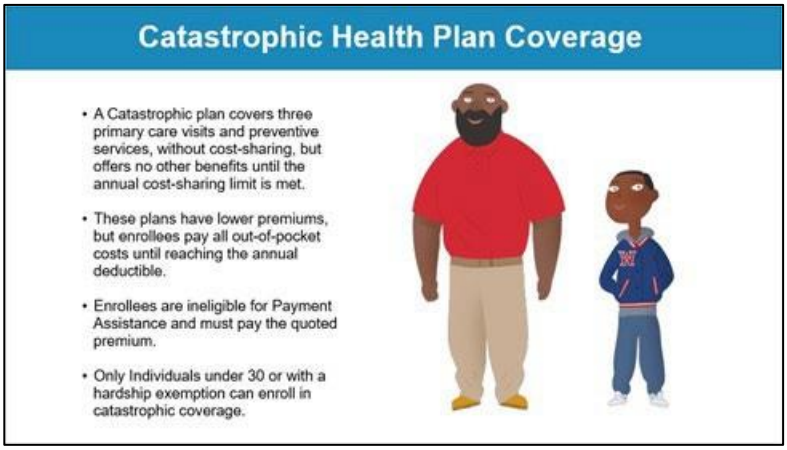
Catastrophic plan enrollments for members age 30 or older are flagged for hardship verification. A hardship exemption request is generated with a 30-day due date, the enrollment is set to Pending Verification, and a notice is sent to submit a signed form. The enrollment remains in Pending Verification status until the required verification is completed and approved; this requirement is only applicable to new enrollments. If the required verification is not completed by the due date, the associated Catastrophic enrollment is canceled.

When a new enrollment meets defined catastrophic hardship verification conditions, an informational banner message and hyperlink are displayed on the Enrollment Manager screen. The conditions include the following:

- A Catastrophic metal level enrollment is present for the case.
- The enrollment status code is PENV (Pending Verification).

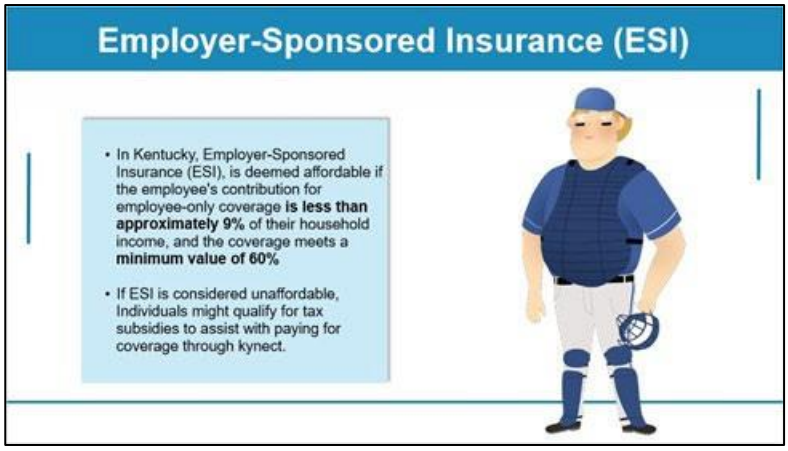
- One or more members in the enrollment are over 30 years of age as of the coverage effective date**.**
- There is an active SVI verification record for the newly introduced Hardship Exemption reason.

The informational banner message reads: “Catastrophic plans selected below require a hardship exemption form for members age 30 or older. Please use the link 'Download Hardship Exemption Form' to download this form.” Selecting the hyperlink downloads the Hardship exemption form.



2.8 Employer-Sponsored Insurance (ESI)

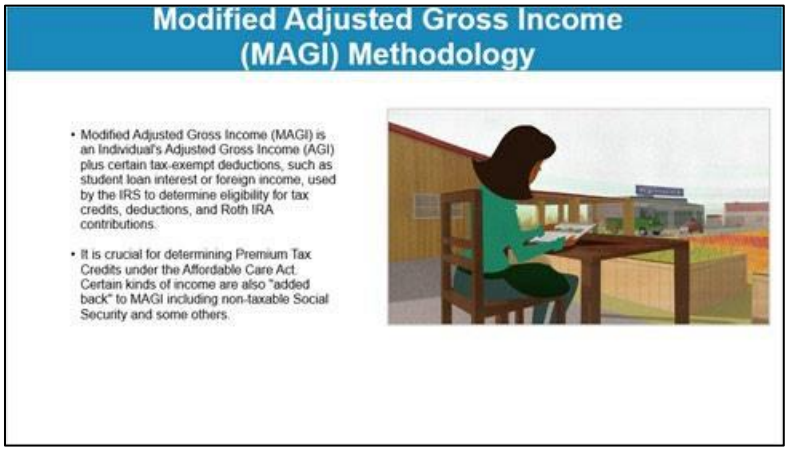
Slide Voice-over: In Kentucky, Employer-Sponsored Insurance (ESI), is deemed affordable if the employee's contribution for employee-only coverage is less than approximately 9% of their household income, and the coverage meets a minimum value of 60%. If ESI is considered unaffordable, Individuals might qualify for tax subsidies to assist with paying for coverage through kynect.



3. Modified Adjusted Gross Income (MAGI) Methodology

3.1 Modified Adjusted Gross Income (MAGI)

Slide Voice-over: Modified Adjusted Gross Income (MAGI) is an Individual's Adjusted Gross Income (AGI) plus certain tax-exempt deductions, such as student loan interest or foreign income, used by the IRS to determine eligibility for tax credits, deductions, and Roth IRA contributions. It is crucial for determining Premium Tax Credits under the Affordable Care Act. Certain kinds of income are also added back to MAGI including non-taxable Social Security and some others.



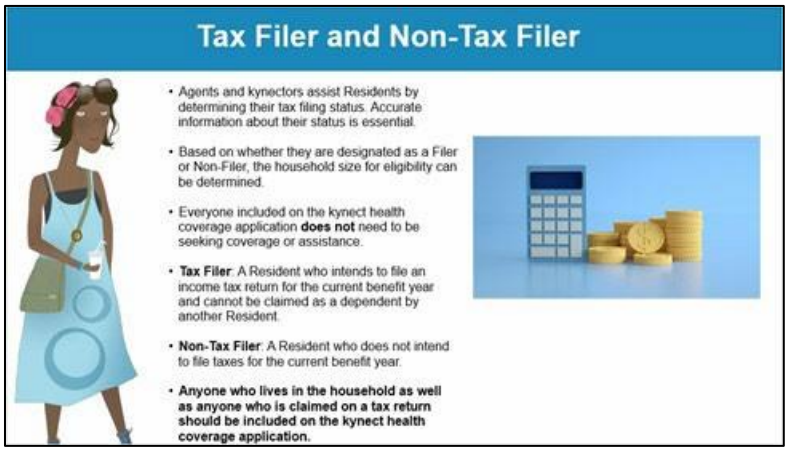
3.2 Tax Filer & Non-Tax Filer

Slide Voice-over: Agents and kynectors assist Residents by determining their tax filing status, which is crucial for eligibility. Accurate information about their status is essential. Based on whether they are designated as a Filer or Non-Filer, the household size for each eligible Individual applying for assistance can be determined. Everyone included on the kynect health coverage application does not need to be seeking coverage or assistance.

Tax Filer: A Resident who intends to file an income tax return for the current benefit year and cannot be claimed as a dependent by another Resident.

Non-Tax Filer: A Resident who does not intend to file taxes for the current benefit year.

Anyone who lives in the household as well as anyone who is claimed on a tax return should be included on the kynect health coverage application.



4. Immigration

4.1 Immigration

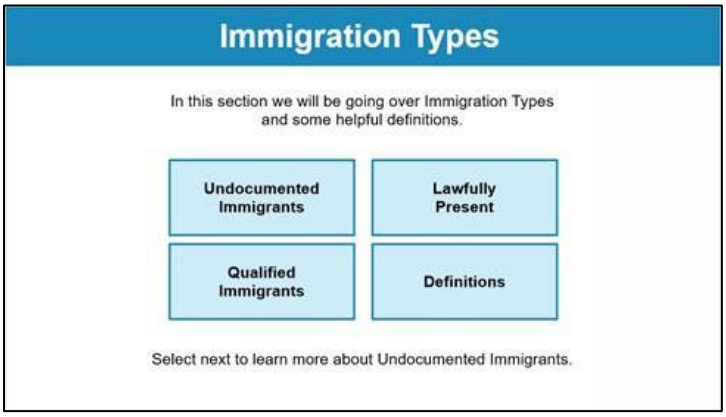
Slide Voice-over: For this section, we will be discussing immigrant eligibility for health coverage. Immigrants in Kentucky may be eligible for a variety of health insurance programs offered in the state. Qualified immigrants in Kentucky may be eligible for Qualified Health Plans, Advance Premium Tax Credits, Medicaid, and Kentucky Children's Health Insurance Program if they meet income eligibility rules.

Please note: Some qualified immigrants may be subject to a 5-year waiting period to receive Medicaid and KCHIP. Please refer to the Immigration Eligibility Chart found on the KHBE website for more information.

4.2 Immigrant Types

Slide Voice-over: In this section we will be going over immigration types and some helpful definitions.

- **Undocumented Immigrants:** These are Individuals in the country without documented immigration status. They do not have work or student authorization and there is no way for them to gain citizenship. Some Individuals will have removal proceeding documents. These alone do not give them legal immigration status.
- **Lawfully Present:** These are Individuals in the country with a documented immigration status. They may have work or student authorization and there is some
  way for them to gain citizenship. Some Individuals will have removal proceeding documents, but a review of the documents may show lawful presence.
- **Qualified Immigrants:** These are generally lawful permanent Residents, refugees, asylees, those withholding of deportation or removal, and conditional entrants. Some Individuals may have to maintain their status with the Department of Homeland Security for one year before becoming a qualified immigrant. Some Individuals will have removal proceeding documents, but a review of the documents may show qualified immigrant status.
- **Key Immigration Definitions:**
  - **Lawful Permanent Resident:** Someone who has been granted the right to reside parentally in the United States.
  - **Refugee:** Someone outside their country of origin for reasons of feared persecution, conflict, generalized violence, or other circumstances that have seriously disturbed public order and require international protection.
  - **Student Visa:** The document given to immigrants allowing them to reside and attend school in the United States.
  - **Asylee:** Someone who meets the definition of refugee and is already present in the United States or is seeking admission at a port of entry.
  - **Conditional Entrant:** Someone granted conditional entry into the United States because of fear of persecution in the home country due to race, religion, political opinion, or because of a natural catastrophe.
  - **Work Authorization Card:** The document provided to immigrants allowing them to reside and work in the United States.


Immigration Types
In this section we will be going over Immigration Types and some helpful definitions.
Undocumented Immigrants
Lawfully Present
Qualified Immigrants
Definitions
Select next to learn more about Undocumented Immigrants.

4.3 Eligibility Requirements

Slide Voice-over: We will be going over health coverage available to Kentucky's immigrant population.

Basic Eligibility: Immigrants who are lawfully present and meet other basic income eligibility requirements may be eligible for Qualified Health Plans and Advance Premium Tax Credits.

- **Non-Citizens:** Immigrants who are non-citizens and have a qualified immigrant status are eligible to enroll in Medicaid or KCHIP if they meet income and state residency criteria.
- **Undocumented Immigrants:** Undocumented immigrants are not eligible for QHPs, APTC, or Medicaid and KCHIP. However, Medicaid does provide payment for emergency services for treatment of emergency medical conditions if the Individual meets all other Medicaid eligibility rules.
- **Qualified Immigrant:**
  - **Medicaid Eligible (Beginning October 1, 2026):** Lawful Permanent Resident (LPR/Green Card holder 5 Year Bar Applies),
  - Compacts of Free Association (COFA) Entrant -individuals lawfully residing in the U.S. through a Compact of Free Association from the Marshall Islands, Micronesia, and Palau.
  - Cuban/Haitian Entrants.
  - Lawfully present children and pregnant women regardless of immigration status.

Please note: Federal law requires most "qualified immigrants" meet a 5-year waiting period (called the 5-year bar) before becoming eligible for Medicaid. Some immigrant statuses may be exempt from the five-year waiting period.

4.4 Qualified Health Plan (QHP) & Advance Premium Tax Credit (APTC)

Slide Voice-over: Below are QHP and APTC eligibility details for Individuals with lawfully present immigration statuses: **Beginning January 1, 2027.**

- Lawful Permanent Resident (LPR/Green Card holder/).
- Compacts of Free Association (COFA) Entrant -individuals lawfully residing in the U.S. through a Compact of Free Association from the Marshall Islands, Micronesia, and Palau.
- Cuban/Haitian Entrants.

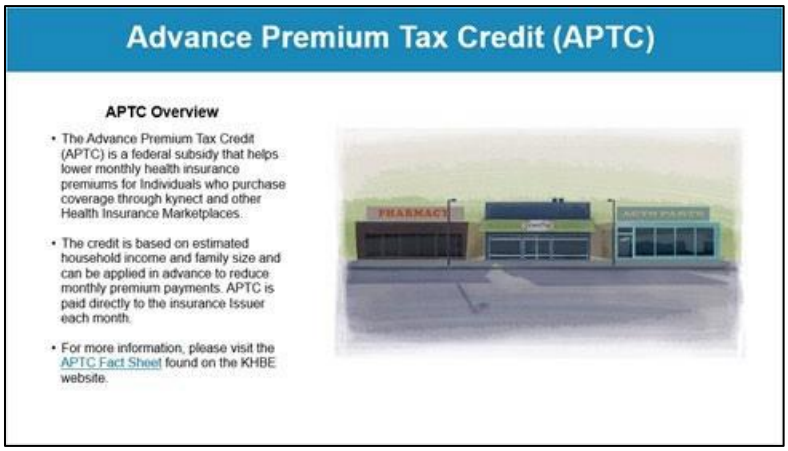
5. Advance Premium Tax Credit (APTC) and Cost-Sharing Reductions (CSRs)

5.1 Advance Premium Tax Credit (APTC)

Slide Voice-over: The Advance Premium Tax Credit (APTC) is a federal subsidy that helps lower monthly health insurance premiums for Individuals who purchase coverage through kynect and other Health Insurance Marketplaces.

The credit is based on estimated household income and family size and can be applied in advance to reduce monthly premium payments. APTC is paid directly to the insurance Issuer each month.

For more information, please visit the APTC Fact Sheet found on the KHBE website.

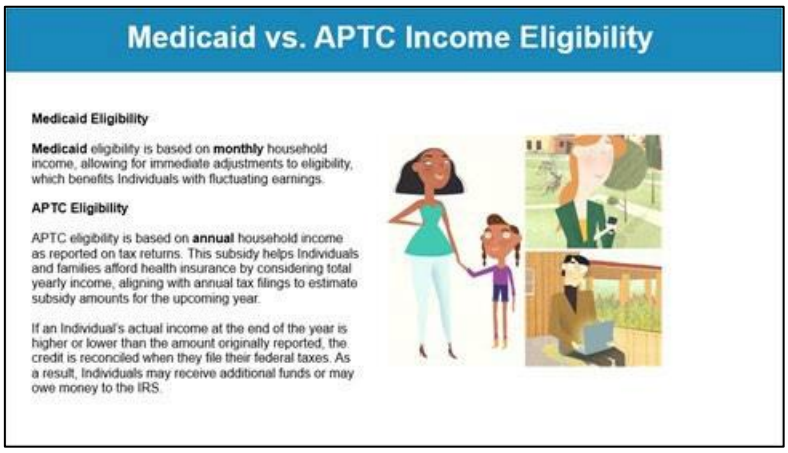


5.2 Medicaid vs. Advance Premium Tax Credit (APTC) Income Eligibility

Slide Voice-over: **Medicaid Eligibility:** Monthly Household Income: Medicaid eligibility is based on monthly household income, allowing for immediate adjustments to eligibility, which benefits Individuals with fluctuating earnings.

APTC Eligibility: APTC eligibility is based on annual household income as reported on tax returns. This subsidy helps Individuals and families afford health insurance by considering total yearly income, aligning with annual tax filings to estimate subsidy amounts for the upcoming year.

If an Individual's actual income at the end of the year is higher or lower than the amount originally reported, the credit is reconciled when they file their federal taxes. As a result, Individuals may receive additional funds or may owe money to the IRS.



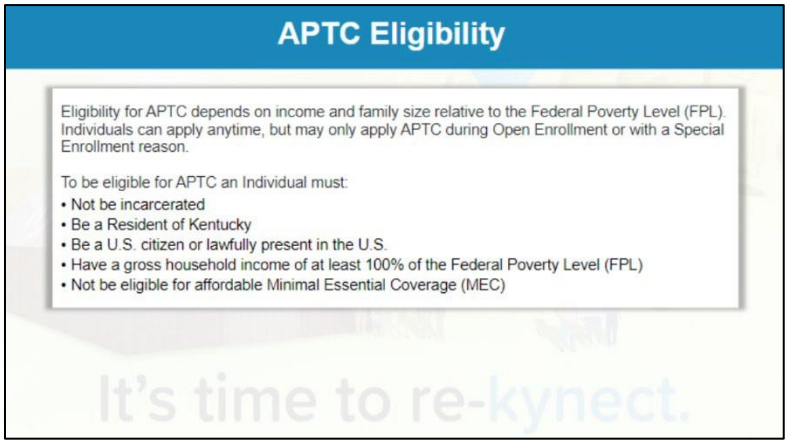
5.3 Advance Premium Tax Credit (APTC) Information

Slide Voice-over: Let's go over some specific APTC information!

- **APTC Eligibility:** Eligibility for APTC depends on income and family size relative to the Federal Poverty Level (FPL). Individuals can apply anytime but may only apply APTC during Open Enrollment or with a Special Enrollment reason.
    - To be eligible for APTC an Individual must:
        - Not be incarcerated
        - Be a Resident of Kentucky
        - Be a U.S. citizen or lawfully present in the U.S.
        - Have a gross household income of at least 100% of the Federal Poverty Level (FPL)
        - NOT eligible for affordable Minimal Essential Coverage (MEC)
- **APTC Income Limits:** Department of Health and Human Services (HHS) issues FPL annually to determine eligibility for certain programs and benefits. The FPL will be used to calculate eligibility for Medicaid and the Kentucky Children's programs.
- **Qualify for APTC:** When a Resident applies for kynect health coverage, the system estimates their APTC based on family size, projected household income, and eligibility for other financial assistance. The Resident can choose to apply all, some, or none of the estimated APTC to lower monthly premiums. Excess APTC received may need to be repaid during tax filing.
- **Mid-Month Rule:** When applying for coverage, Individuals who apply on or before the 15th will have their coverage start on the first of the following month. Those who apply after the 15th will have their coverage start on the first day of the second following month.
- **Premium Increase:** Factors affecting a Resident's Individual contribution include changes in Issuer rates, federal law, and the Second-Lowest Cost Silver Plan premium. Changes in income or household size also impact contributions.

For more details, visit the **KHBE Facts & Resources** page on the KHBE Website and KHBE.ky.gov and view the Why My Individual Contribution May Be Lower or Higher Fact Sheet.

- **Requirements to Reconcile:** When filing their tax return, a taxpayer's APTC is reconciled with their actual household income, and family size. If they used more APTC than qualified, they must repay the difference. If they used less, they receive the difference as a refundable credit.



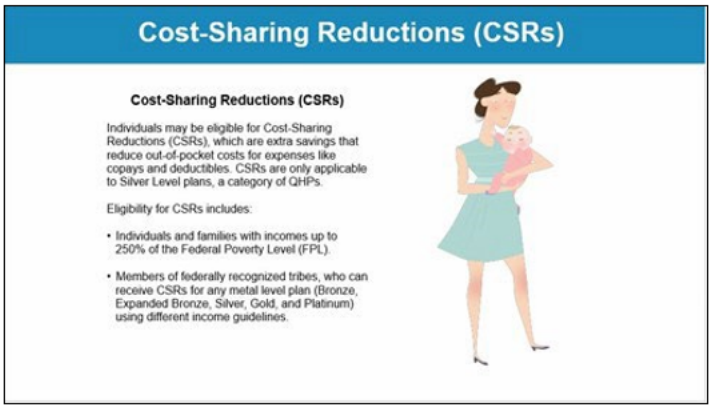
Please note:

- Employer-provided coverage is affordable if the employee's contribution is around 9% of household income. For more information, please visit the Employer Insurance Affordability Fact Sheet found on the KHBE website.
- Individuals with household income above 400% of the FPL are ineligible for APTC beginning 01/01/2026.
- Effective January 1, 2026, lawfully present Individuals who are ineligible for Medicaid because of their immigration or citizenship status, and have income below 100% of the Federal Poverty Limit, will no longer qualify for Advance Premium Tax Credits. They can still purchase a full-price Qualified Health Plan but must actively re-enroll for coverage. Impacted Individuals will be notified before Open Enrollment.

5.4 Cost-Sharing Reductions (CSRs)

Slide Voice-over: Individuals may be eligible for CSRs which are extra savings that reduce out-of-pocket costs for expenses like copays and deductibles. CSRs are only applicable to Silver Level Plans, a category of QHPs.

Eligibility for CSRs includes Individuals and families with incomes up to 250% of the Federal Poverty Level. Members of federally recognized tribes, who can receive CSRs for any Metal Level plan (Bronze, Expanded Bronze, Silver, Gold, and Platinum) using different income guidelines.



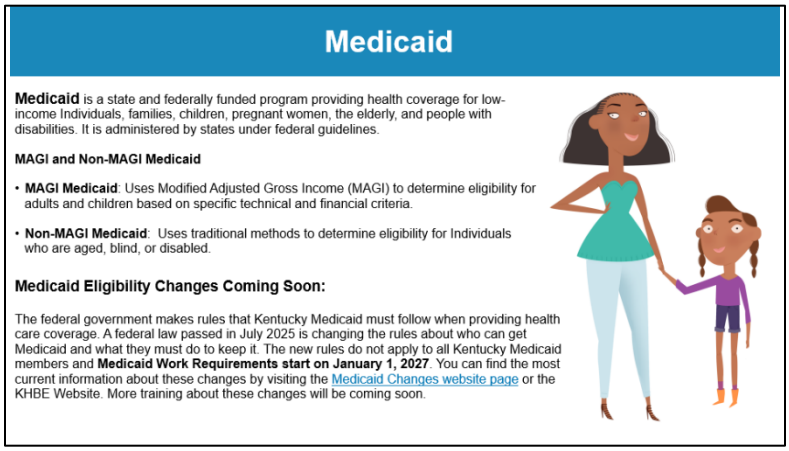
6. Medicaid

6.1 Medicaid

Slide Voice-over: Medicaid is a state and federally funded program providing health coverage for low-income Individuals, families, children, pregnant women, the elderly, and people with disabilities. It is administered by states under federal guidelines.

MAGI Medicaid: Uses Modified Adjusted Gross Income (MAGI) to determine eligibility for adults and children based on specific technical and financial criteria.

Non-MAGI: Uses traditional methods to determine eligibility for Individuals who are aged, blind, or disabled.

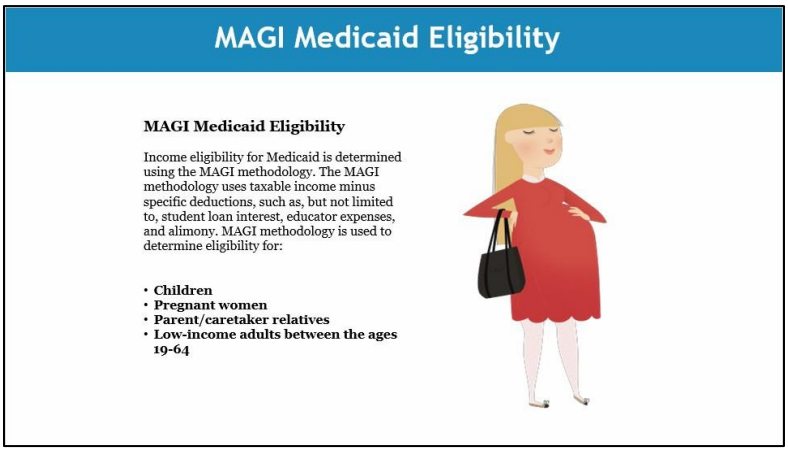


Medicaid Eligibility Changes Coming Soon:

The federal government makes rules that Kentucky Medicaid must follow when providing health care coverage. A federal law passed in July 2025 is changing the rules about who can get Medicaid and what they must do to keep it. The new rules do not apply to all Kentucky Medicaid members and **Medicaid Work Requirements start on January 1, 2027**. You can find the most current information about these changes by visiting the Medicaid Changes website page or the KHBE Website. More training about these changes will be coming soon.

6.2 Modified Adjusted Gross Income (MAGI) Medicaid Eligibility

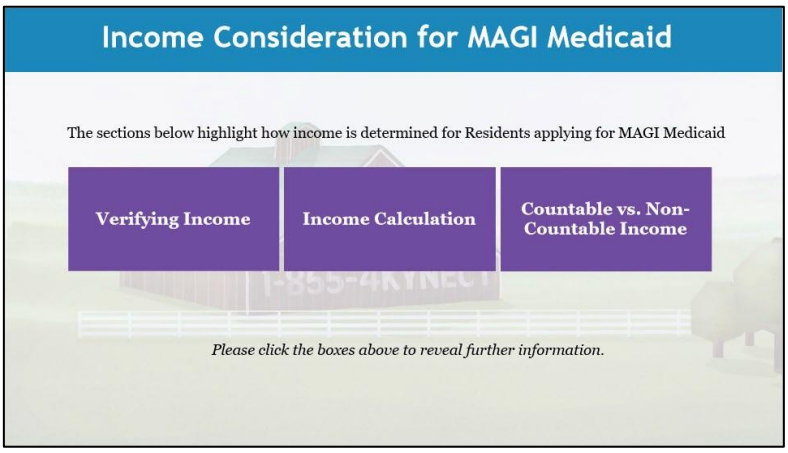
Slide Voice-over: Income eligibility for Medicaid is determined using the MAGI methodology. The MAGI methodology uses taxable income minus specific deductions, such as, but not limited to, student loan interest, educator expenses, and alimony. MAGI methodology is used to determine eligibility for: Children, pregnant women, parent or caretaker relatives, and low-income adults between the ages 19 to 64.



6.3 Income Consideration for Modified Adjusted Gross Income (MAGI) Medicaid

Slide Voice-over: We will be going over income considerations for MAGI Medicaid. The sections below highlight how income is determined for Residents applying for MAGI Medicaid.

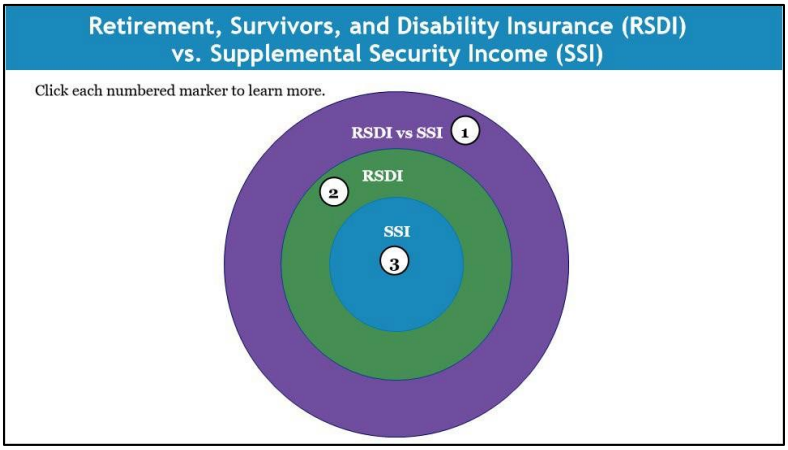
- **Verifying Income:** Income is verified for MAGI Medicaid when the Resident-stated income is reasonably compatible with state and federal data sources, defined as a difference of no more than 25 percent. Agents and kynectors should check to ensure that a Resident has agreed to allow kynect to access state and federal data sources.
- **Income Calculation:** Adjusted Gross Income (AGI) is an Individual's total income minus certain adjustments. Modified Adjusted Gross Income is the AGI plus specific deductions. These deductions can vary, and sometimes AGI and MAGI are identical. According to the IRS, MAGI includes AGI plus deductions.
- **Countable and Non-Countable Income:** The table lists countable and non-countable income types for determining eligibility for MAGI Medicaid. Dependents' income is counted only if they are required to file taxes. Some examples of countable income are wages, salaries, interest income, and pensions. For non-countable income, think of loans, veteran benefits, and worker's compensation.



6.4 Retirement, Survivors, and Disability Insurance (RSDI) vs Supplemental Security Income (SSI)

Slide Voice-over: Let's go over Retirement, Survivors, and Disability Insurance (RSDI) and Supplemental Security Income (SSI).

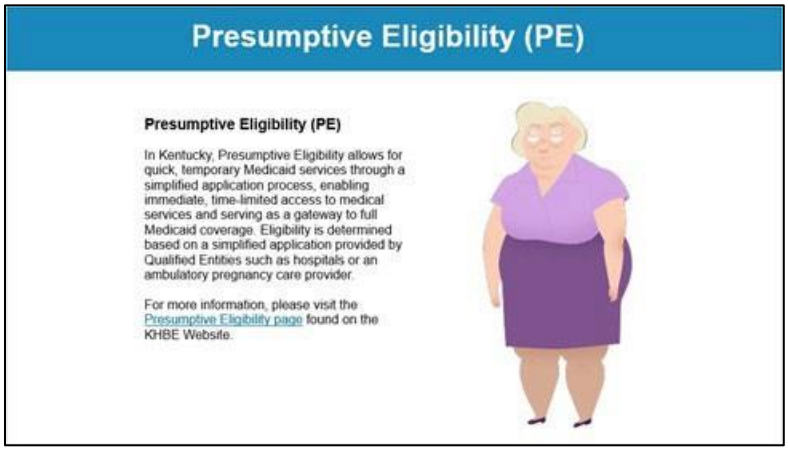
- **RSDI vs. SSI:** SSI provides assistance to people with disabilities, while RSDI is a federally funded program managed by the Social Security Administration.
- **RSDI:** also known as Social Security, provides retirement, survivors, and disability benefits based on a deceased person's earnings. It is countable income for MAGI. For children, RSDI is excluded if they live with their parents but countable if they live with a grandparent, aunt, etc., under non-tax filing rules.
- **Supplemental Security Income:** is for disabled adults and children who have limited income and resources. SSI is not countable income for MAGI. Individuals who receive SSI are automatically eligible for Medicaid.



6.5 Presumptive Eligibility (PE)

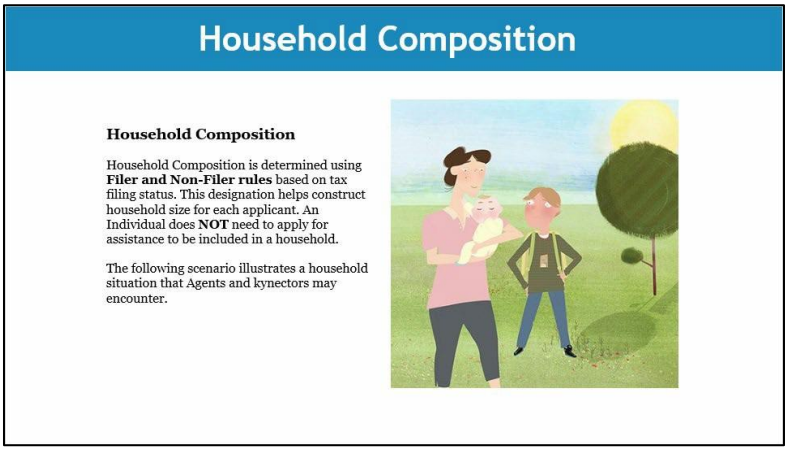
Slide Voice-over: Presumptive Eligibility In Kentucky allows for quick, temporary Medicaid services through a simplified application process, enabling immediate, time-limited access to medical services and serving as a gateway to full Medicaid coverage. Eligibility is determined based on a simplified application provided by Qualified Entities such as hospitals or ambulatory pregnancy care provider

For more information, please visit the Presumptive Eligibility page found on the KHBE Website.



6.6 Household Composition

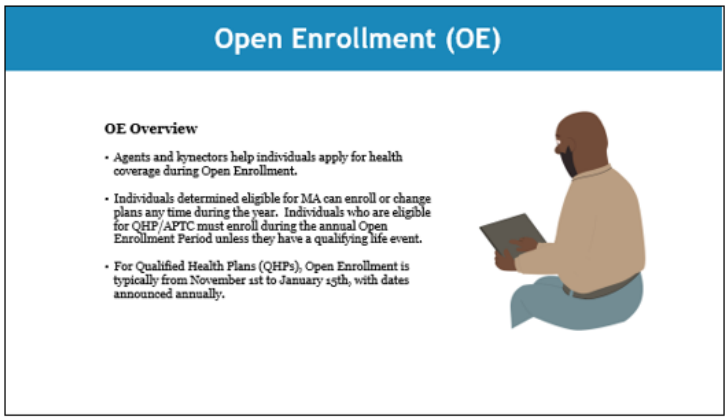
Slide Voice-over: Household Composition is determined using Filer and Non-Filer rules based on tax filing status. This designation helps construct household size for each Applicant. An Individual does NOT need to apply for assistance to be included in a household.



7. Enrollment Periods

7.1 Open Enrollment Overview

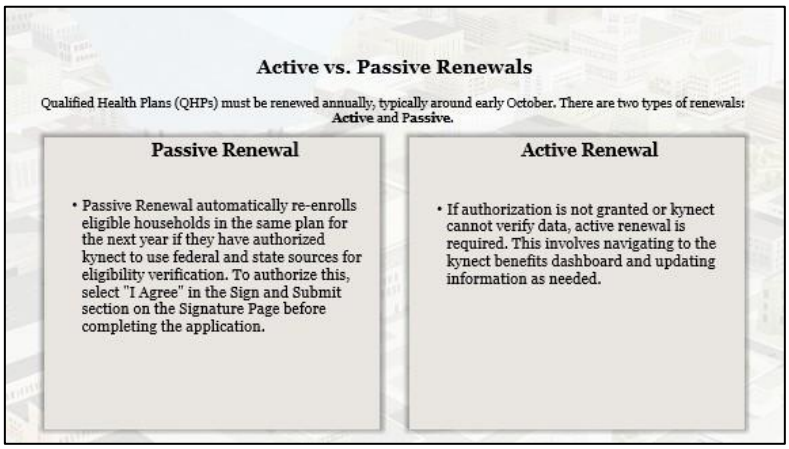
Slide Voice-over: Agents and kynectors help Individuals apply for health coverage during Open Enrollment. Individuals determined eligible for Medicaid can enroll or change plans any time during the year. Individuals who are eligible for QHP and APTC must enroll during the annual Open Enrollment Period unless they have a qualifying life event. For QHP's, Open Enrollment is typically from November 1 to January 15, with dates announced annually. Native Americans and Alaska Natives can enroll or change plans monthly throughout the year. If an Individual is disenrolled from a QHP and eligible for Medicaid MCO, they will be assigned the MCO provider associated with their QHP Issuer, if available, unless they choose otherwise. This applies if there is overlapping Medicaid eligibility with their QHP coverage.



7.2 Active vs. Passive Enrollments

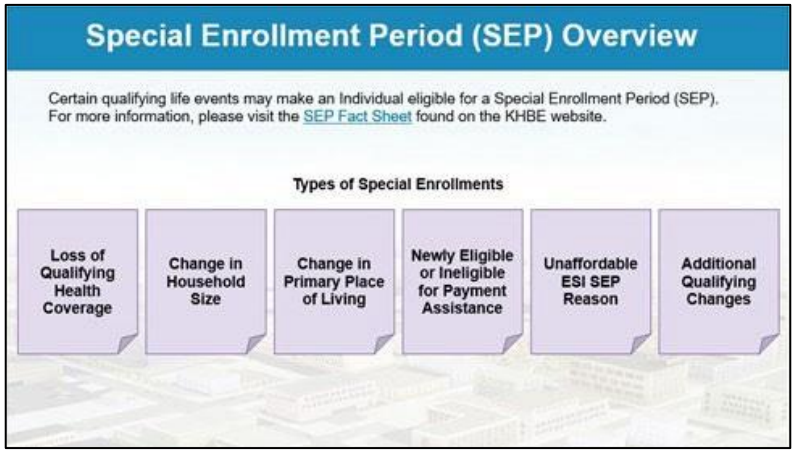
Slide Voice-over: QHPs must be renewed annually, typically around early October. There are two types of renewals: active and passive.

- **Passive Renewal:** automatically re-enrolls eligible households in the same plan for the next year if they have authorized kynect to use federal and state sources for eligibility verification. To authorize this, select **I Agree** in the *Sign and Submit* section on the **Signature** Page before completing the application.
- **Active Renewals:** If authorization is not granted or kynect cannot verify data, active renewal is required. This involves navigating to the kynect benefits Dashboard and updating information as needed.



7.3 Special Enrollment Period (SEP)

Slide Voice-over: Certain qualifying life events may make an Individual eligible for a Special Enrollment Period (SEP). For more information, please visit the SEP Fact Sheet found on the KHBE website.



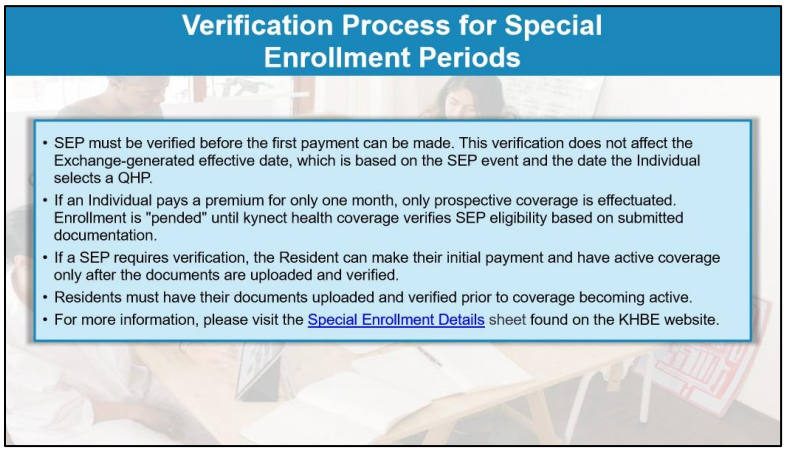
Please note: Moving solely for medical treatment or staying somewhere for vacation does not qualify Individuals for an SEP.

Please note: Individuals who are eligible for a Special Enrollment and want to request a change from their current plan may be restricted to certain metal levels.

7.4 Verification Process for Special Enrollment Periods (SEPs)

Slide Voice-over: Verification Process for Special Enrollment Periods.

- SEP must be verified before the first payment can be made. This verification does not affect the Exchange-generated effective date, which is based on the SEP event and the date the Individual selects a QHP. If an Individual pays a premium for only one month, only prospective coverage is effectuated. Enrollment is pended until kynect health coverage verifies SEP eligibility based on submitted documentation. If an SEP requires verification, the Resident can make their initial payment and have active coverage only after the documents are uploaded and verified. Residents must have their documents uploaded and verified prior to coverage becoming active. For more information, please visit the Special Enrollment Details sheet found on the KHBE website

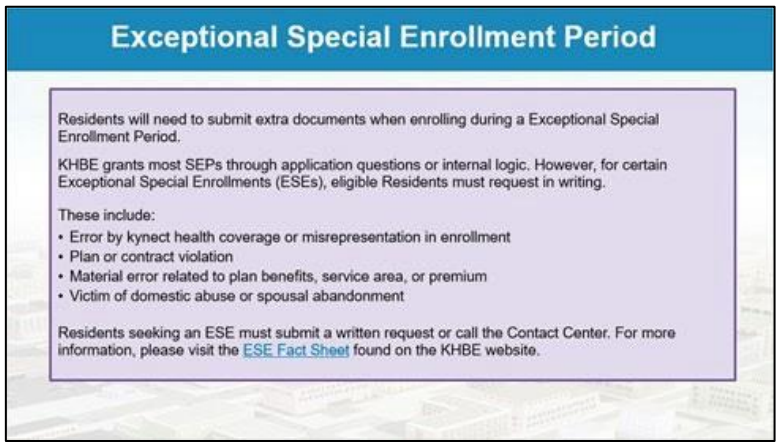


7.5 Exceptional Special Enrollment Period

Slide Voice-over: Residents will need to submit extra documents when enrolling during an Exceptional Special Enrollment Period.

- KHBE grants most SEPs through application questions or internal logic. However, for certain Exceptional Special Enrollments (ESEs), eligible Residents must request in writing. These include:
  - Error by kynect health coverage or misrepresentation in enrollment
  - Plan or contract violation
  - Material error related to plan benefits, service area, or premium
  - Victim of domestic abuse or spousal abandonment

Residents seeking an ESE must submit a written request or call the Contact Center. For more information, please visit the ESE Fact Sheet found on the KHBE website.

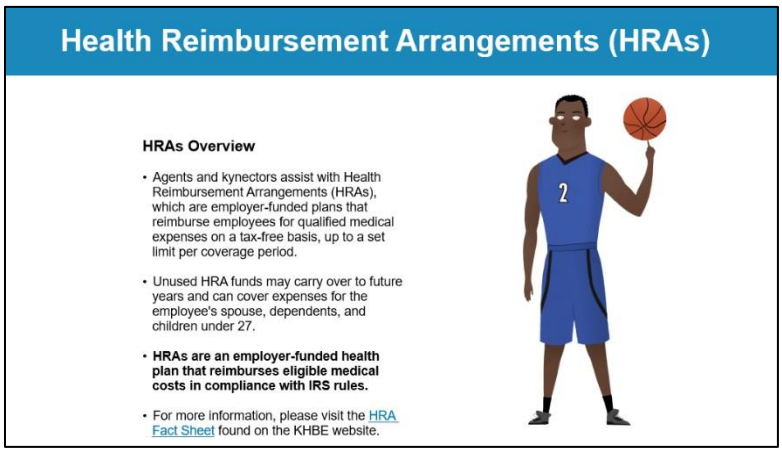


8. Health Reimbursement Arrangements (HRAs)

8.1 Health Reimbursement Arrangements (HRAs) Overview

Slide Voice-over: Agents and kynectors assist with Health Reimbursement Arrangements (HRAs), which are employer-funded plans that reimburse employees for qualified medical expenses on a tax-free basis, up to a set limit per coverage period. Unused HRA funds may carry over to future years and can cover expenses for the employee's spouse, dependents, and children under 27. HRAs are an employer-funded health plan that reimburses eligible medical costs in compliance with IRS rules.

For more information, please visit the HRA Fact Sheet found on the KHBE website.



9. Fraud, Waste, or Abuse

9.1 Fraud, Waste, and Abuse

Slide Voice-over: In this section we will be going over Fraud, Waste, and Abuse. Public assistance fraud is a crime, and substantiated cases are referred for prosecution or administrative sanctions. Agents and kynectors in Kentucky should report any suspected fraud, waste, or abuse.

- **Fraud:** Fraud is defined as the wrongful or criminal deception intended to result in financial or personal gain. Fraud includes false representation of fact, making false statements, or by concealment of information.
- **Waste:** Waste is defined as the thoughtless or careless expenditure, mismanagement, or abuse of resources. Waste also includes incurring unnecessary costs resulting from inefficient or ineffective practices, systems, or controls.
- **Abuse:** Abuse is defined as excessive or improper use of a thing, or to use something in a manner contrary to the natural or legal rules for its use. Abuse can occur in financial or non-financial settings.

Please report any suspected fraud, waste, or abuse to the Office of Inspector General Fraud Hotline (800) 377-2970. Users may also report suspected public assistance fraud by email to CHFS.fraud@ky.gov, or by sending a complaint by mail to the address listed below:

Office of Inspector General

Division of Audits and Investigations

275 E. Main St, 5E-D

Frankfort, KY 40621

The Cabinet for Health and Family Services provides more information on fraud, waste, or abuse on their website.