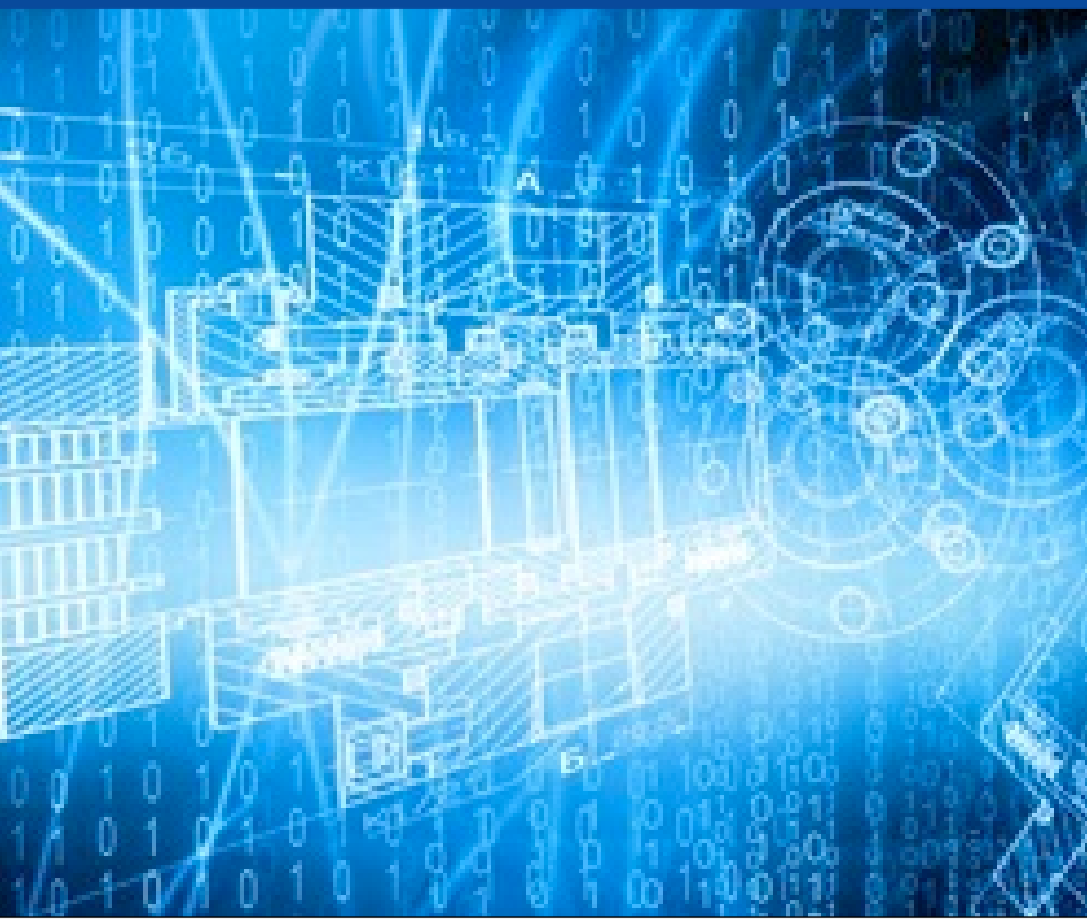




# Medicaid/CHIP Periodic Data Matching (Medicaid/CHIP PDM)



Identifying, Notifying, and  
Reducing the Number of  
Consumers  
Enrolled in Marketplace  
Coverage  
with APTC or CSR  
*and* Medicaid or CHIP

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*Centers for Medicare & Medicaid  
Services (CMS)  
Center for Consumer Information  
& Insurance Oversight (CCIIO)*

# Medicaid/CHIP PDM

This presentation will cover:

- An Overview of Medicaid/Children's Health Insurance Program (CHIP) Periodic Data Matching (Medicaid/CHIP PDM)
- Why Medicaid/CHIP PDM is important for consumers
- How you can help consumers enrolled in Marketplace coverage resolve Medicaid/CHIP PDM issues
- Where you can find additional resources

# Medicaid/CHIP PDM: Background

- If consumers have been determined eligible for or are enrolled in qualifying health coverage (also called minimum essential coverage, or MEC)\* Medicaid or CHIP, they are NOT eligible to receive advance payments of the premium tax credit (APTC) or income-based cost-sharing reductions (CSR) to help pay for a Marketplace plan premium and covered services.\*\*
- Marketplaces **must**:
  - Periodically examine available data sources to determine whether consumers who are enrolled in Marketplace coverage with APTC or CSR have been determined eligible for Medicaid or CHIP (45 CFR 155.330(d));\*\*\* and
  - Notify these consumers, and if the consumer doesn't respond to the notice, end APTC/CSR (45 CFR 155.330(e)).
- Medicaid/CHIP PDM identifies consumers enrolled in BOTH Marketplace coverage with APTC or income-based CSR AND Medicaid or CHIP.

*\*Most Medicaid coverage counts as qualifying coverage; some forms of Medicaid cover limited benefits (like Medicaid that only covers emergency care, family planning or pregnancy-related services) and are not considered qualifying coverage.*

*\*\*Note: Generally, a consumer who is eligible for income-based CSR will also be eligible for APTC. However, not all consumers who are eligible for APTC will be eligible for income-based CSR. If a consumer still wants a Marketplace plan after having been determined eligible for Medicaid or CHIP, they will have to pay full cost for their share of the Marketplace plan premium and covered services, if otherwise eligible.*

*\*\*\*Current functionality checks whether a consumer enrolled in Marketplace coverage with APTC/CSR is enrolled in Medicaid or CHIP. References to the Marketplace refer throughout to the Federally-facilitated Marketplace and State-based Marketplaces using the federal platform.*

# Medicaid/CHIP PDM: Overview

- In summer 2016, the Marketplace implemented functionality to allow it to end APTC/CSR when a consumer is found to be enrolled in Marketplace coverage with APTC/CSR and Medicaid or CHIP, and doesn't take necessary action by a specified date.
- Consumers found to be dually-enrolled in Marketplace coverage with APTC/CSR and Medicaid or CHIP will be notified as follows:
  - An **initial warning notice** will request that consumers take immediate action to end Marketplace coverage with APTC/CSR, or update their application to tell the Marketplace that they're not enrolled in Medicaid or CHIP, by the date listed in the notice.
  - Consumers who do not respond to the initial warning notice by the date listed will receive a final notice.
  - A **final notice** will inform consumers who did not respond to the initial warning notice that the Marketplace will end any APTC/CSR being paid on their behalf, and that Marketplace coverage for these consumers will continue without financial help. It also notes that APTC/CSR, if applicable, will be redetermined, for anyone else on the Marketplace plan, and provides the date that these changes become effective.
  - Consumers will also receive an updated Eligibility Determination Notice (EDN).
- All notices are mailed and/or posted to consumers' Marketplace accounts, depending on what the consumer selected as their communication preference.

*\*Due to technical limitations, dually-enrolled consumers the following Marketplace states will not receive notices in the spring/summer 2017 round of Medicaid/CHIP PDM: Arkansas, Georgia, New Jersey, and Ohio.*

# Medicaid/CHIP PDM: Overview (continued)

- Consumers will only lose APTC/CSR and receive the final notice if they **did not** respond as instructed to the initial warning notice by the date indicated in the notice.
- If consumers still want a Marketplace plan after the Marketplace ends APTC/CSR being paid on their behalf, they'll have to pay full price for their share of the Marketplace plan premium and covered services.

**Consumers who do not want to remain enrolled in their Marketplace plan at full cost should end their Marketplace coverage as soon as possible.**

# Medicaid/CHIP PDM: Initial Warning Notice

- CMS will send an **initial warning notice** to the household contact for each affected consumer.
- The notice will contain the names of consumers who were found to be dually-enrolled in Medicaid or CHIP and links to online instructions for next steps, including how to:
  - 1) End Marketplace coverage with APTC/CSR (for consumers enrolled in or determined eligible for Medicaid or CHIP), and
  - 2) Update Marketplace application information (for consumers not enrolled in Medicaid or CHIP)
- The notice will also tell the consumer the date by which they must respond to the notice to avoid losing APTC/CSR.
  - The consumer must respond within 30 days from the date of the notice.

# Medicaid/CHIP PDM: Initial Warning Notice Sample

[Household Contact]  
[Mailing Address]  
[City], [State] [Zip Code]

[Date]

**Warning: Members of your household may lose financial help for their Marketplace coverage.**

Application Date: [Application Submission Date]  
Application ID: [Application Identifier]

Dear [Household Contact First Name]:

You're getting this notice because our records show that the people listed below may be enrolled in BOTH a Marketplace health plan with financial help AND [State Medicaid Program Name] (Medicaid) or [State CHIP Program Name] (the Children's Health Insurance Program, or CHIP):

- [Application Member Name]
- [Application Member Name]
- [Application Member Name]

**IMPORTANT:** You should IMMEDIATELY end Marketplace coverage with financial help for each person listed above who's also enrolled in Medicaid or CHIP. When the Marketplace identifies that someone is enrolled in coverage through Medicaid or CHIP, they are ineligible for financial help for their Marketplace coverage. **If you don't take action by [PDM timer date], the Marketplace will end any advance payments of the premium tax credit (APTC) and cost-sharing reductions (CSRs) to cover that person.**

# Responding to the Initial Warning Notice

Consumers should respond to the initial warning notice by the date listed on the notice. The action consumers should take depends on their situation:

If the consumer(s) listed in the notice ...	Then they should ...*
Agrees with the notice: They are enrolled in Medicaid or CHIP.	End their Marketplace coverage with APTC/CSR. Detailed instructions on how to end coverage can be found here: <a href="https://www.healthcare.gov/medicaid-chip/cancelling-marketplace-plan/">https://www.healthcare.gov/medicaid-chip/cancelling-marketplace-plan/</a> .
Disagrees with the notice: Knows that they aren't enrolled in Medicaid or CHIP.	Update their Marketplace application to tell the Marketplace that the consumer is not enrolled in Medicaid or CHIP.

*\*Refer to the [Medicaid/CHIP PDM User Interface User Guide](#) for detailed instructions.*



# Responding to the Initial Warning Notice (continued)

- Consumers who receive the initial warning notice and are NOT enrolled in Medicaid or CHIP should respond to the notice by updating their application to tell the Marketplace that they are not enrolled in Medicaid or CHIP.
- When they submit their updated application, their EDN may say that they need to send in proof that they are no longer enrolled in Medicaid or CHIP.
  - When the consumer is updating their application, the Marketplace checks, in real time, whether the consumer is enrolled in Medicaid and CHIP. If the Marketplace finds that the consumer is enrolled in Medicaid or CHIP, he or she will get a Medicaid/CHIP data matching issue or “DMI” and will have 90 days to upload or send proof that he or she is not enrolled in Medicaid or CHIP. Examples of proof include:
    - Letter from health insurer including coverage termination date
    - Statement of health benefits
    - Letter from Medicaid or CHIP
  - If the consumer fails to provide adequate proof within the timeframe, the Marketplace will end APTC/CSR for the consumer with the DMI, and the consumer will remain enrolled in Marketplace coverage at full cost.\*

*\*The Marketplace will send DMI notices/reminders to consumers with open DMIs in accordance with the regular DMI process. For more information about the DMI resolution process, visit:*

*<https://www.healthcare.gov/verify-information/send-more-info/>.*

# Medicaid/CHIP PDM: Final Notice

- If consumers do not take appropriate action by the date listed in the initial warning notice, the Marketplace will send a **final notice** to the household contact of affected consumers to inform them that the Marketplace will end financial help being paid on behalf of affected consumers. The notice will alert them of the date on which Marketplace coverage without financial assistance will become effective, and how to appeal the Marketplace's decision.
- The dually-enrolled consumers will remain enrolled in Marketplace coverage at full cost.

**IMPORTANT:** If consumers don't want to pay full cost for this coverage, they'll need to end their Marketplace coverage **as soon as possible**.

- For any other household members on the application who were not found to be dually-enrolled, Marketplace coverage will continue and the Marketplace will redetermine their eligibility for APTC/CSR, if applicable.
- The Marketplace will also send an updated EDN to inform the household of the change in financial help.

# Medicaid/CHIP PDM: Final Notice Sample

[Household Contact]  
[Mailing Address]  
[City], [State] [Zip Code]

[Date]

**IMPORTANT: Members of your household are still enrolled in a Marketplace plan but will no longer get financial help.**

Application date: [Application Submission Date]  
Application ID: [Application Identifier]

Dear [Household Contact First Name]:

You're getting this notice because the people listed below will no longer receive financial help to help pay for their coverage through a Marketplace health plan. They'll still have a Marketplace health plan, but they won't get advance payments of the premium tax credit (APTC) and income-based cost-sharing reductions (CSRs), if applicable, for their share of the Marketplace plan premium and covered services. **This change will be effective on [effective date].**

- [Application Member Names]
- [Application Member Names]
- [Application Member Names]

**If you don't want to pay full cost for their share of the Marketplace plan premium and covered services, you'll need to end their Marketplace coverage immediately.** To learn how to end Marketplace coverage, see the "What should I do next?" section below.

For anyone on the Marketplace plan who isn't listed above, their Marketplace plan will continue and their eligibility for APTC and CSRs is redetermined, if applicable. Based on the information you submitted on your application, your tax household is now eligible for a tax credit of \$[maxAPTC] each month, which is \$[maxAPTC x 12] for the year. An updated eligibility determination notice for the household has been sent that will tell you how much APTC/CSRs your household can use to help pay for Marketplace coverage, if applicable. Contact your plan to find out your share of the total premium amount, after this change.

# Why Medicaid/CHIP PDM & Noticing Is Important for Consumers

- When consumers are identified as enrolled in Medicaid or CHIP through a PDM process, or a consumer with APTC reports enrollment in Medicaid or CHIP during the coverage year, the Marketplace must accept the state's decision as a valid eligibility determination and the consumer's eligibility for APTC and income-based CSR must be updated to reflect that they have other qualifying health coverage.
- Consumers identified as dually-enrolled through Medicaid/CHIP PDM should either end their Marketplace coverage with APTC/CSR or update their application to tell the Marketplace that they're not enrolled in Medicaid or CHIP.\*

*\*If consumers still want their Marketplace plan after having been determined eligible for Medicaid or CHIP that counts as qualifying coverage, they will have to pay full price for their share of the Marketplace plan premium and covered services, without APTC/CSR.*

# Why Medicaid/CHIP PDM & Noticing Is Important for Consumers (continued)

- If affected consumers do not take action by the date on the initial warning notice (within 30 days from the date of the notice), the Marketplace will end any APTC/CSR being paid on their behalf for their share of a Marketplace plan premium and covered services, and redetermine eligibility for APTC/CSR for remaining consumers on the application, as appropriate.

*REMINDER: Once the Marketplace ends any APTC/CSR being paid on dually-enrolled consumers' behalf for their share of a Marketplace plan premium and covered services, those consumers will need to end their Marketplace coverage if they don't want to remain enrolled in that plan at full cost.*

# What You Should Know: How to Help

Consumers who receive the Medicaid/CHIP PDM notices may contact you:

- For help understanding the notices
- For help responding to the notices, by either ending Marketplace coverage with APTC/CSR, or updating their application to tell the Marketplace they're not enrolled in Medicaid or CHIP.
  - See the [“Other Resources” slide](#) for instructions; in particular, CMS recommends you review the notices and the [Medicaid/CHIP PDM User Interface User Guide](#).
- If they don't think they're enrolled in Medicaid or CHIP
  - These consumers should contact their state Medicaid or CHIP agency to confirm that they're not enrolled in or eligible for Medicaid or CHIP, and update their Marketplace application accordingly to show they're not enrolled in Medicaid or CHIP.
  - Instructions on how to find contact information for consumers' state Medicaid or CHIP agencies are available in the notices.

# What You Should Know: How to Help (continued)

- If they want more information about Medicaid or CHIP or whether their benefits count as qualifying health coverage OR if they aren't sure if they have been determined eligible for or if they're enrolled in Medicaid or CHIP.
  - Consumers may contact their state Medicaid or CHIP agency for answers to these questions. Instructions on how to find contact information for consumers' state Medicaid or CHIP agencies are available in the notices.
  - Consumers who have not been determined eligible for and are not enrolled in Medicaid or CHIP that counts as qualifying coverage should update their Marketplace application to tell the Marketplace that they're not enrolled in Medicaid or CHIP.

# What You Should Know: How to Help (continued)

- If consumers are enrolled in Medicaid or CHIP that counts as qualifying health coverage, but believe they are actually eligible to remain enrolled in Marketplace coverage with APTC/CSR
  - Example: A consumer has experienced a family size or household income change that may make them ineligible for Medicaid/CHIP.
  - These consumers should contact their state Medicaid/CHIP agency to inform them of the change in income or other information.
  - These consumers will not be eligible for a Marketplace plan with APTC/CSR unless they are no longer eligible for Medicaid or CHIP, and are otherwise eligible for Marketplace coverage with financial assistance.



# Medicaid/CHIP PDM: Estimated Timeline\*

- **March 2017:** CMS sends initial warning notices to consumers who may be dually enrolled, as identified through Medicaid/CHIP PDM.
- **Summer 2017:** The Marketplace ends APTC/CSR for consumers who did not take action in the specified timeframe in response to the initial warning notice, and final notices are sent to these consumers to inform them of the change in their financial assistance. An updated EDN is also sent to these consumers.
- **Summer 2017:** Marketplace coverage without financial assistance becomes effective.

*\*All dates are subject to change.*

# Other Resources

- Sample Initial Warning Notice:
  - English: <https://marketplace.cms.gov/applications-and-forms/medicaid-chip-initial-warning.pdf>
  - Spanish: <https://marketplace.cms.gov/applications-and-forms/medicaid-chip-initial-warning-spanish.pdf>
- Sample Final Notice:
  - English: <https://marketplace.cms.gov/applications-and-forms/medicaid-chip-stop-aptc.pdf>
  - Spanish: <https://marketplace.cms.gov/applications-and-forms/medicaid-chip-stop-aptc-spanish.pdf>
- Medicaid PDM User Interface User Guide: [www.healthcare.gov/downloads/marketplace-medicaid-chip-guide.pdf](http://www.healthcare.gov/downloads/marketplace-medicaid-chip-guide.pdf)
- HealthCare.gov instructions on ending Marketplace coverage when a consumer gets Medicaid or CHIP: <https://www.healthcare.gov/medicaid-chip/cancelling-marketplace-plan/>
- HealthCare.gov general instructions on ending Marketplace coverage: [www.healthcare.gov/reporting-changes/cancel-plan/](http://www.healthcare.gov/reporting-changes/cancel-plan/)
- List of Medicaid programs that aren't considered MEC: [www.healthcare.gov/medicaid-limited-benefits/](http://www.healthcare.gov/medicaid-limited-benefits/)