CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES
CENTER FOR PROGRAM INTEGRITY

Consumer Complaints about Exchange Enrollments

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Description of Complaints

The FFE Call Center continues to receive calls from consumers who assert that they did not enroll in a Exchange plan, nor did they authorize anyone else to enroll them.

Consumers stated that they do not want or need these plans because one of the following was true:

- They had employer coverage.
- They were covered by Medicaid, Medicare, Tri-Care, Social Security Disability Insurance or another public program.
- They were covered by a spouse's or parents' plan.
- They did not want healthcare coverage through the Exchange.

IRS Notifications

- The IRS has information from the FFE showing that the taxpayer had a Marketplace QHP and received an Advance Premium Tax Credit (APTC) to cover the premium in whole or in part. This amount must be reconciled at tax time.
- Many of the complainants only learned that they had been enrolled in QHPs when notified by the IRS that their tax refunds would not be processed until they submitted Form 8962 to reconcile their Premium Tax Credit.
- Because contact information for consumers may not be correct, 1095-As sent from the Federal Exchange did not reach many of the enrollees.

FFE Data Check

FFE data shows that a large percentage of the enrollments had similarities including one or more of the following:

- 100% APTC which covered premium payments, so the consumer did not have to make recurring payments.
- The enrollment was completed by an agent or broker.
- Data elements, especially contact information, were incorrect.
- Income was misstated to avoid a Medicaid determination (raised income) or to maximize APTC determinations (lowered income).

Unauthorized Enrollment Finder File (UEFF)

- Some issuers will soon receive an Unauthorized Enrollment Finder File (UEFF 6) containing information about enrollments consumers believe to be the result of ID theft or an unauthorized enrollment. These complaints were received by the federal Call Center between December 1, 2017 and March 31, 2018.

- The complaints are mostly about policies for plan years 2016, 2017 and 2018, but there are a few pertaining to policies for earlier years.

- The UEFF will arrive via EFT. The file has a date/time stamp of **"TPID.CMPLFL.D180702.T164748510.P"** where "TPID" is your organization's trading partner identification number. Since the file requires manual review, you may need to move it out of the EFT folder into some other folder.

Unauthorized Enrollment Finder File (UEFF)

- An updated letter of instruction and a new UEFF 6 manual (specifications document) will be emailed to affected issuers at the same time the file is sent. The letter, manual and this PowerPoint will also be posted to REGTAP and zONE. Links will be provided.

- CMS asks that each issuer follow the detailed instructions in the letter and manual to complete the required information on UEFF 6.

- Files should be returned to CMS **no later than August 17, 2018.** The file should be returned via EFT using the return code: **"TPID.MID.RESOFL.DYYMMDD.THHMMSSmmm.P.IN".**

Important change for UEFF 6: "NPN Agree" will no longer be a criterion

- UEFFs 1-5 asked issuers to check four criteria to determine if a policy was unauthorized by the enrollee and should be cancelled.
- For UEFF 6 issuers are asked to check only three criteria.
- The **"NPN Agree" criterion will no longer be used** to determine whether a policy should be cancelled. Many issuers told CMS that having to place an "F" in this column, especially when CMS showed no NPN, kept policies in effect that would otherwise have been cancelled.
- CMS agrees that the "NPN Agree" criterion is, in some cases, an obstacle to cancelling policies that appear to be unauthorized. Issuers should disregard it in evaluating whether or not to cancel a policy.

Important change for UEFF 6: “NPN Agree” will no longer be a criterion

- However, the **NPN Agree column will still be on the UEFF 6 file** that you receive from CMS.
- There already will be a “T” in this column for **every** policy. DO NOT CHANGE this mark. Whether the prepopulated NPN is the same or different than the NPN of record, a “T” should remain in the “NPN Agree” column. This is true even if there is no prepopulated NPN.
- While the NPN will not be factored into a cancellation decision, CPI would still like to know about discrepancies between the NPN CMS has in its records and the ones in the issuers’ files. Please use the “Notes” column at the end of each row to provide relevant information to us.

UEFF 6 Criteria for Cancellations

CMS developed the following criteria that, if true, would support a consumer's claim of an unauthorized enrollment.

1. The consumer stated directly to CMS through the FFE Call Center that he/she did not enroll in the Exchange, did not give authorization or consent to an enrollment, and did not want the coverage;
2. The consumer is receiving 100% APTC or, if not 100%, the portion of the premium that is the responsibility of the enrollee was not made in whole or in part resulting in the termination of the policy;
3. The issuer has had no contact from the enrollees such as calls to customer service, emails, letters or any other direct contact, *with the exception of* communications from the enrollee stating that they did not know about or consent to the enrollment;
4. No claims have been filed for any of the enrollees on each policy.

UEFF 6 Criteria for Cancellations

- CMS stipulates that Criterion 1 is true in all cases since all of the cases in the UEFF came through the federal Call Center.
- If criteria 2, 3 and 4 are marked “T” (true) in accordance with the instructions on page 5 of the “specifications document”, the policy can be cancelled and a “T” should be placed in the column headed “Issuer will Rescind.” Read the instructions carefully to avoid errors.
- Remember: The column headed “NPN Agree” will already have a “T” in it. Do not change the marking even if you have a different NPN of record. Note any discrepancies in the “Notes” column.
- If ANY of the criteria is NOT met an “F” (false) should be placed in the appropriate column as well as in the column headed “Issuer will Rescind.” A brief explanation should be included in the column titled “Notes.”

Lessons Learned from Previous UEFFs: Avoid rejected files

To make sure your file submission is not rejected, please note the lessons learned from previous rounds of UEFFs and avoid the most common mistakes:

Common Mistakes	Solutions
Incorrect File Name	There must be 6 digits after the D in the date and 9 digits after the T in the timestamp.
File sent to wrong EFT	File should be sent to the **MID** EFT code.
Compressing the file	Do not ZIP the file.
Incorrect File Format	UEFFs should be returned as "pipe-delimited**" text** files only.
Resubmission has Same Date & Time Stamp	If resubmitting a file, change the date and timestamp in the filename. EFT will not deliver the file if it has the same date and time as the previous submission.
File Format has been Changed	Do not delete any rows or columns – including the header record. Do not move columns around – format must be intact and has to be in the same position.
Notes have added pipes	When typing notes in the 'Notes' column, do not include a "pipe delimiter" within the text. Commas, periods or semi-colons are okay, but do not insert "pipes" as they change the format.

Federal Regulations on Cancellations

CMS is satisfied that any enrollment on the Unauthorized Enrollment Finder File that meets all criteria may be cancelled.

- 45 CFR 155.430(b)(1)(iv)(C) specifies that an Exchange issuer may cancel a policy if "[t]he enrollee demonstrates to the Exchange that he or she was enrolled in a QHP without his or her knowledge or consent by any third party, including third parties who have no connection with the Exchange, and requests cancellation within 60 days of discovering of the enrollment."

Effectuating Cancellations

- Issuers cancelling 2018 coverage should send an **IC834 cancel transaction** to the FFE with a reason code of fraud (**use the CANCEL-FRD code**, not TERMINATION).
- Policies for plan year 2017 may also be cancelled via an IC834, but only until August 13, 2018. As of August 14 that avenue will be closed.
- Policies for plan years 2016 and earlier cannot be cancelled via IC834. Issuers will need to submit an ER&R Dispute, setting "Prior Year – End Date" to equal the start date of the policy. (After August 14, this method will be used for 2017 policies as well.)
- It is very important that you submit cancellations for any policy that meets the criteria ***even if it has already been terminated for any reason, including non-payment.*** A 1095-A will be issued for any month that a policy was in effect. Consumers with APTC may have a tax liability for those months. A corrected 1095-A can only be issued if the policy is Cancelled back to the effectuation date.

Returning the file to CMS

- Issuers should return the completed file to CMS by sending it to the CMS/CPI EFT Folder: **TPID.MID.RESOFL.DYYMMDD.THHMMSSmmm.P.IN.**
- Completed files must be returned to CMS no later than **August 17, 2018**.

Thanks and Contacts

- CMS will continue to send finder files as new complaints are received.
- CCIIO and CPI appreciate your cooperation to protect the Exchange and Exchange consumers from misconduct and fraud.

If you have questions about the Unauthorized Enrollment Finder File, please email them to: MarketplaceIntegrity@cms.hhs.gov.

REMEMBER: All documents with PII must be encrypted or password protected. We cannot accept unsecured email containing PII.