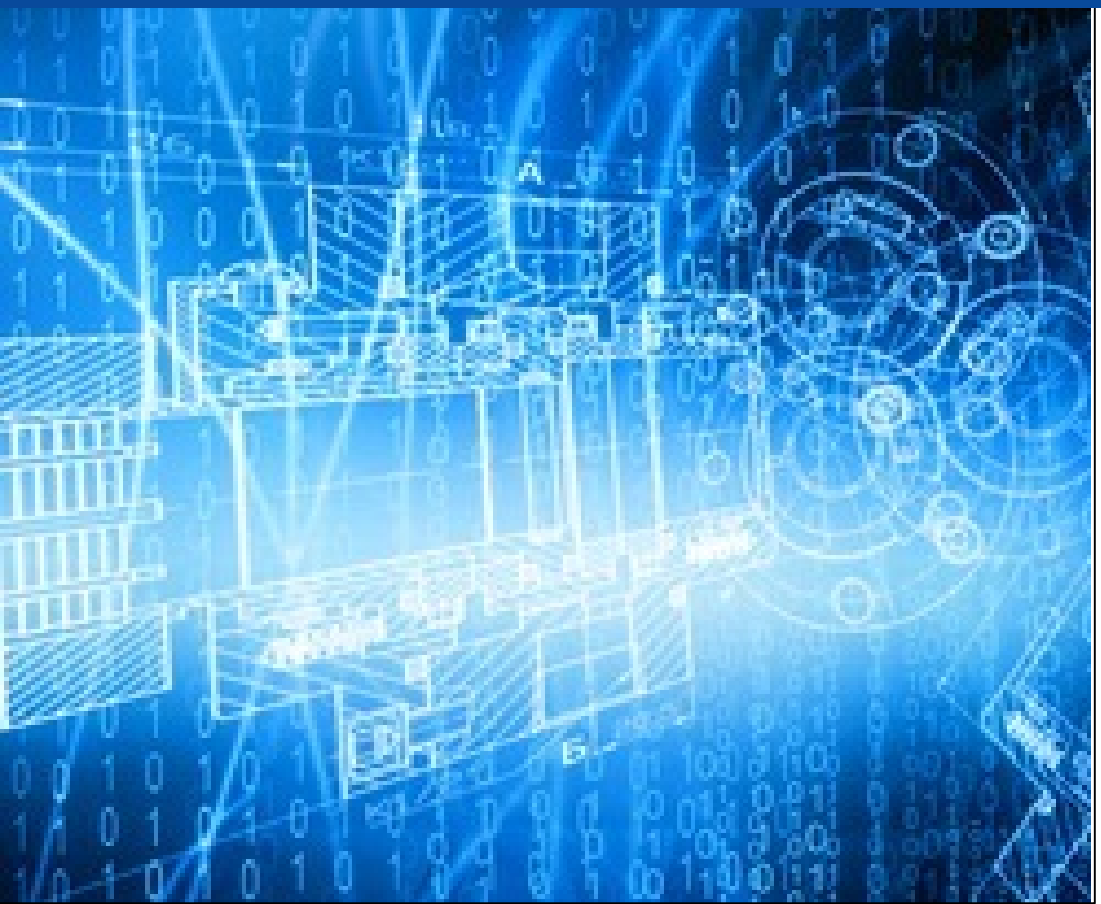
CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

Failure To File and Reconcile (FTR) Recheck (5/13/19)



Center for Consumer Information & Insurance Oversight (CCIIO)

May 13, 2019

https://www.regtap.info/FFENR.php

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Failure To File and Reconcile (FTR) Recheck

- Consumers on whose behalf Advance Payments of the Premium Tax Credit (APTC) are paid must file taxes for that coverage year and reconcile the APTC on their tax return or they are not eligible for APTC going forward. Consumers who have failed to file and reconcile are considered to have an “FTR” status.
- Reconciling premium tax credits on a tax return is done by using the consumer’s Form 1095 - A (issued by an Exchange) to complete IRS Tax Form 8962. This process compares the estimated income they reported on the Exchange application with the consumer’s actual income for the year in order to determine their final premium tax credit for the year.
- Tax filers may have filed and reconciled, but due to IRS processing times, the FFE may still have the application flagged as FTR during Open Enrollment. Because of this, consumers who have filed and reconciled for a preceding tax year can attest that they have done so on their 2019 application.

Failure To File and Reconcile (FTR) Recheck

- To confirm that those who attested to filing and reconciling actually did so, CMS performs a “recheck” of IRS data early in the new coverage year. In February 2019, CMS sent two warning notices to enrollees whose tax filers had still not filed or reconciled according to IRS data. These notices encouraged tax filers to do so immediately or risk losing APTC
- In May, following a final check of IRS data, CMS will discontinue APTC for households that have still not filed and reconciled according to IRS data effective June 1, 2019. Consumers will receive an updated eligibility determination notice reflecting their ineligibility for APTC and their new eligibility for a Special Enrollment Period to change plans.
- CMS is also performing a second, small incremental FTR Recheck run. Warning notices will be sent to this population in early May and, following a final IRS data check in June, APTC will removed for non-filers/non-reconcilers effective July 1, 2019.