



Date: March 07, 2017

Subject: UPDATED - Release of Risk Adjustment Holdback for the 2014 and 2015 Benefit Years

Updated Release of Risk Adjustment Holdback for the 2015 Benefit Year

In light of appeals resolved, since publication of the February 3, 2017, *Reinsurance and Risk Adjustment Holdback Release for 2015 Benefit Year* guidance, CMS will release payment amounts held back for 2015 Benefit Year risk adjustment appeals in the following State Markets in the March 2017 payment cycle:

1. Illinois – all Markets.

We note that based on the current status of 2015 Benefit Year risk adjustment administrative appeals as of February 14, 2017, CMS will continue to **NOT** release payment amounts held back for 2015 Benefit Year risk adjustment appeals in the following State Markets:

1. Colorado – all Markets;
2. Hawaii Small Group Market;
3. New Jersey Individual Market (including the Catastrophic Market); and
4. New York – all Markets.

We note that any risk adjustment payments made using Fiscal Year 2017 resources will be sequestered at a rate of 7.1 percent. These funds will not be available for payment until the beginning of Fiscal Year 2018, regardless of whether or not a risk adjustment appeal is pending in the State Market.

For more information please see the February 3, 2017, *UPDATED - Release of Risk Adjustment Holdback for the 2014 and 2015 Benefit Years* guidance available at:

https://www.regtap.info/reg_librarye.php?i=2030 and the November 21, 2016, *Reinsurance and Risk Adjustment Holdback Release for 2014 Benefit Year* guidance, available at https://www.regtap.info/reg_librarye.php?i=1924 under the Risk Adjustment program of the REGTAP Library.

If you have any questions regarding this guidance, please email CMS at ACAfinancialappeals@cms.hhs.gov.

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Updated Release of Risk Adjustment Holdback for the 2014 Benefit Year

In light of appeals resolved, since publication of the February 3, 2017, *Reinsurance and Risk Adjustment Holdback Release for 2015 Benefit Year* guidance, CMS will release payment amounts held back for 2014 Benefit Year risk adjustment appeals and Fiscal Years 2015 or 2016 sequestration in the following State Markets in the March 2017 payment cycle:

1. Florida Individual Market (including the Catastrophic Market).

After this release in the March 2017 payment cycle, CMS will have released the payment amounts held back for 2014 Benefit Year risk adjustment appeals and Fiscal Years 2015 or 2016 sequestration in all State Markets.

For more information please see the February 3, 2017, *UPDATED - Release of Risk Adjustment Holdback for the 2014 and 2015 Benefit Years* guidance available at:

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