2015 Vendor Management

October 27, 2014

Financial Management and
Payment Process

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

HTTPS://WWW.REGTAP.INFO

Agenda

- Session Guidelines
- Session Purpose
- Financial Management Process and Systems Overview
- TIN and LBN Information
- Payee Group Creation
- Submission of Financial Information
- HIX 820 Trading Partner Agreements
- Questions
- Resources
- Closing Remarks

Session Guidelines

- This is a 90-minute webinar session.
- Documented Q&As will be posted in the coming weeks.

Intended Audience

- Associations
- Consumer Operated and Oriented Plan (CO-OP) Program
- Stand Alone Dental Plans (SADP)
- Federally-Facilitated Marketplace (FFM) Issuers
- State Based Marketplaces (SBMs)
- SBM Issuers
- Vendors/Third Party Administrators (TPAs)
- Small Business Health Options Program (SHOP) Issuers

Purpose

This session provides a comprehensive overview of the Financial Management process including the submission of billing and banking information in the Health Insurance Oversight System (HIOS), the creation of Payee Groups and modifying Payee Group financial information.

Financial Management Process and Systems Overview

Background

- The Health Insurance Premium Tax Credit Rule (77 Fed.Reg. 30,377 (May 23, 2012)) sets the standards for determining a taxpayer's eligibility for premium tax credits and for computing the premium tax credit.
- The Exchange Establishment Rule (77 Fed.Reg. 18,310 (Mar. 27, 2012)) sets some basic standards for Marketplace Qualified Health Plan (QHP) Issuers related to the administration of Advance Payment of Premium Tax Credits (APTCs) and Cost-Sharing Reductions (CSRs).
- Individuals who enroll in QHPs through individual Marketplaces, may receive APTCs and CSRs to make health insurance more affordable.

Background (continued)

- CMS makes monthly APTC and CSR payments to QHP Issuers on behalf of enrollees.
- CMS needs accurate financial information from Issuers in order to make timely APTC and CSR payments.

HIOS Overview

HIOS is the central web portal for Issuers to access modules used by The Centers for Medicare & Medicaid Services (CMS) to collect and store information from entities participating in the Marketplace

- HIOS is the portal to the Financial Management Module which allows Issuers to create Payee Groups and Financial Information Forms (FIFs)
- HIOS stores TIN and LBN information for registered Health Insurance companies

HIOS User Roles and Responsibilities

There are two (2) Issuer roles associated with the submission and approval of Payee Data in HIOS:

- Payee Data Submitter
- Payee Data Approver

Payee Data Submitter Roles and Responsibilities	Payee Data Approver Roles and Responsibilities
• Create and edit applications within HIOS. • May also be assigned the Payee and FIF Submitter roles.	• Reviews application submissions • May also be assigned the Payee and FIF Approver roles. **Payee Data Approver cannot edit Application information.**

*While an individual user may not hold both the data submitter and approver roles within HIOS, an organization may register multiple users in the data submitter and approver roles.

Requesting a HIOS Account

- Users will need to complete the **Request HIOS Account** form and submit for approval.
- Once approved, users will receive an email with their HIOS account information and an Authorization Code to request access to HIOS within the Enterprise Portal.

Accessing the Financial Management Module in HIOS

Go to the Enterprise Identity Management (EIDM) Portal page (https://portalval.cms.gov/wps/portal/unauthportal/home/). Login to the CMS Secure Portal.

On the next screen, click **'I Accept.'**

Users will be taken to the CMS Enterprise Portal log in screen. Log in using User ID and Password.

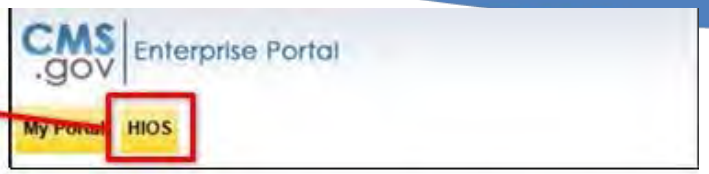
Accessing the Financial Management Module in HIOS (Continued)

To continue on to the Financial Management Module, click **HIOS**.

On the next screen, select **Access Plan Management & Market Wide Functions.**

On the next screen, select **Financial Management.**

Then, select **Access the Financial Management.** To access the Financial Information Form page, select the **Vendor Management** Tab.



Payment Information Needed

- In order to receive payments, Health Insurance companies need to complete a few simple steps:
  - Create a Payee Group in the Financial Management Module
  - Complete Financial Information Forms (FIFs) in the Financial Management Module
  - Request a Bank Verification Letter for each submitted FIF

Best Practices

- Issuers should gather all relevant information before beginning their application in HIOS.
- In the Financial Management Module, TIN and LBN data is prepopulated from HIOS application data. Issuers should ensure that TIN and LBN information is correct before creating payee groups.

Users have the option to save while completing applications within the Financial Management Module. Users should reconfirm data to ensure accuracy prior to submitting for approval.

2014 Marketplace Issuers

2014 Vendor Management Data

- Beginning in November of 2013, CMS collected billing and banking information for 2014 Marketplace Issuers using a Financial Information Template and Financial Information Authorization Agreement.
- Vendor Management data previously submitted to CMS is referred to as “Legacy Data.”
- Legacy data for 2014 Marketplace Issuers will be prepopulated in the Financial Management Module.

Verifying Legacy Data

- Beginning November 3, 2014, CMS will send a notification to 2014 Marketplace Issuers asking Issuers to verify the prepopulated data for parent and child payee groups.
- 2014 Marketplace Issuers should verify the following information:
  - Payee Group configuration
  - Payee Group, Financial Authority, and Financial Information Form Contact Information
  - Banking Information
  - 1099 Address Information
- Issuers will notify CMS by email to confirm legacy data or request updates.

Verifying Legacy Data (continued)

If 2014 Marketplace Issuers need to make updates after reviewing the pre-populated Legacy Data, send an email to CMS at: vendor_management@cms.hhs.gov

TIN and LBN Information

TIN and LBN in HIOS

- CMS requires accurate TIN and LBN information in the Health Insurance Oversight System (HIOS) in order to:
  1. Fulfill tax reporting requirements
  2. Ensure accurate 1099s are issued
  3. Establish accounting records with accurate information prior to making payments to Issuers

TIN and LBN in HIOS

- Issuers should confirm their data in HIOS prior to creating Payee Groups and FIFs.
- CMS requests that all issuers confirm TIN and LBN information in HIOS no later than November 14, 2014.
- Issuers should contact HIOS with questions about accounts.

Payee Group Creation

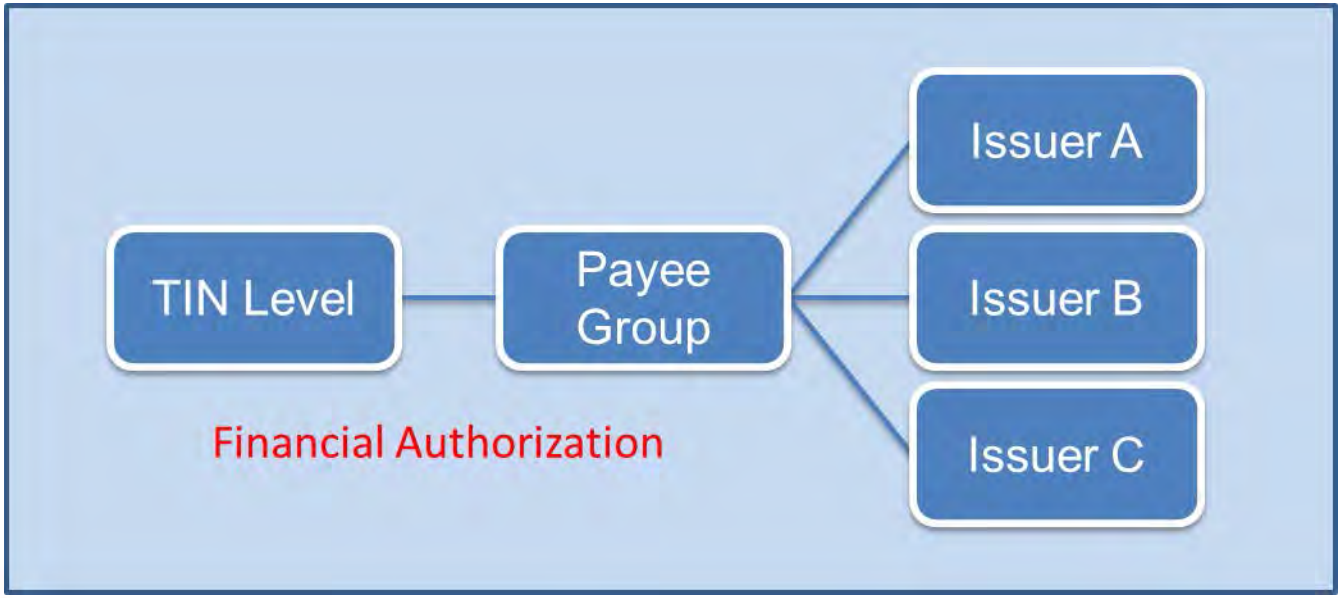
Payee Groups Overview

- There are **four (4) requirements** for assigning Issuers to Payee Groups:
  - All Issuers in a Payee Group must share the same TIN.
  - All Payee Groups must include at least one (1) Issuer.
  - All Issuers must be assigned to a Payee Group.
  - Each Issuer must be assigned to only one (1) Payee Group.

Any Issuer not assigned to a Payee Group will not receive payments.

Payee Group Example

A payee group will have a one-to-one ratio with the TIN. For example, if a company has three (3) Issuers with the same TIN they will only be allowed to establish one (1) payee group with all three Issuers included.



Payee Groups

One function of the HIOS Financial Management Module is to allow insurance companies to create Payee Groups and associated financial information in order to facilitate payments to Issuers.

Select “Payee Groups” in the Financial Management Module to access Payee Group Submitter or Approver functions.

Payee Group Creation Roles and Responsibilities

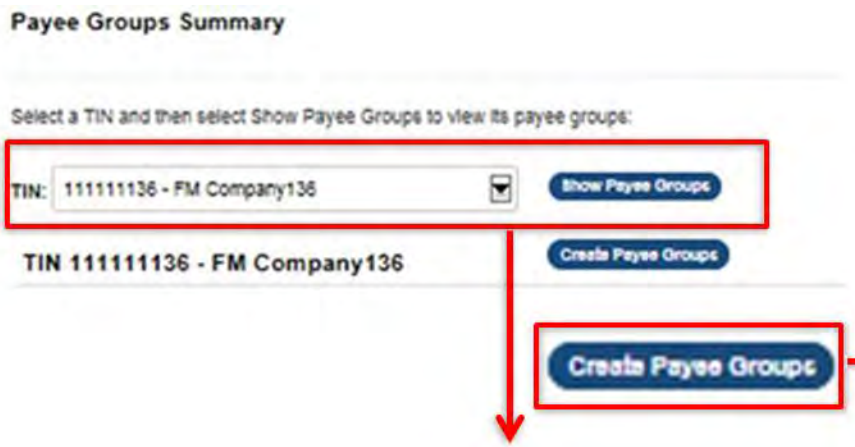
There are two (2) Issuer roles associated with the submission and approval of Payee Groups:

- Payee Submitter
- Payee Approver

Payee Submitter Roles and Responsibilities	Payee Approver Roles and Responsibilities
• Creates new Payee Group • Enters Payee Group Contact information • Enters Financial Authority contact information • Assigns Issuers to Payee Groups • Views and/or Edits Payee Group information	• Reviews Payee Group submissions • Approves Payee Group Submissions **Payee Approver cannot edit Payee information.**

Create Payee Group
Payee Submitter Screen

To begin the process of creating a Payee Group, the Payee Submitter selects “Payee Groups” in the Financial Management Module. The following screen appears which presents the submitter with a list of all Payees associated with a selected TIN and the option to create Payee Groups.



Select the TIN associated with the Submitter and click “Show Payee Groups”

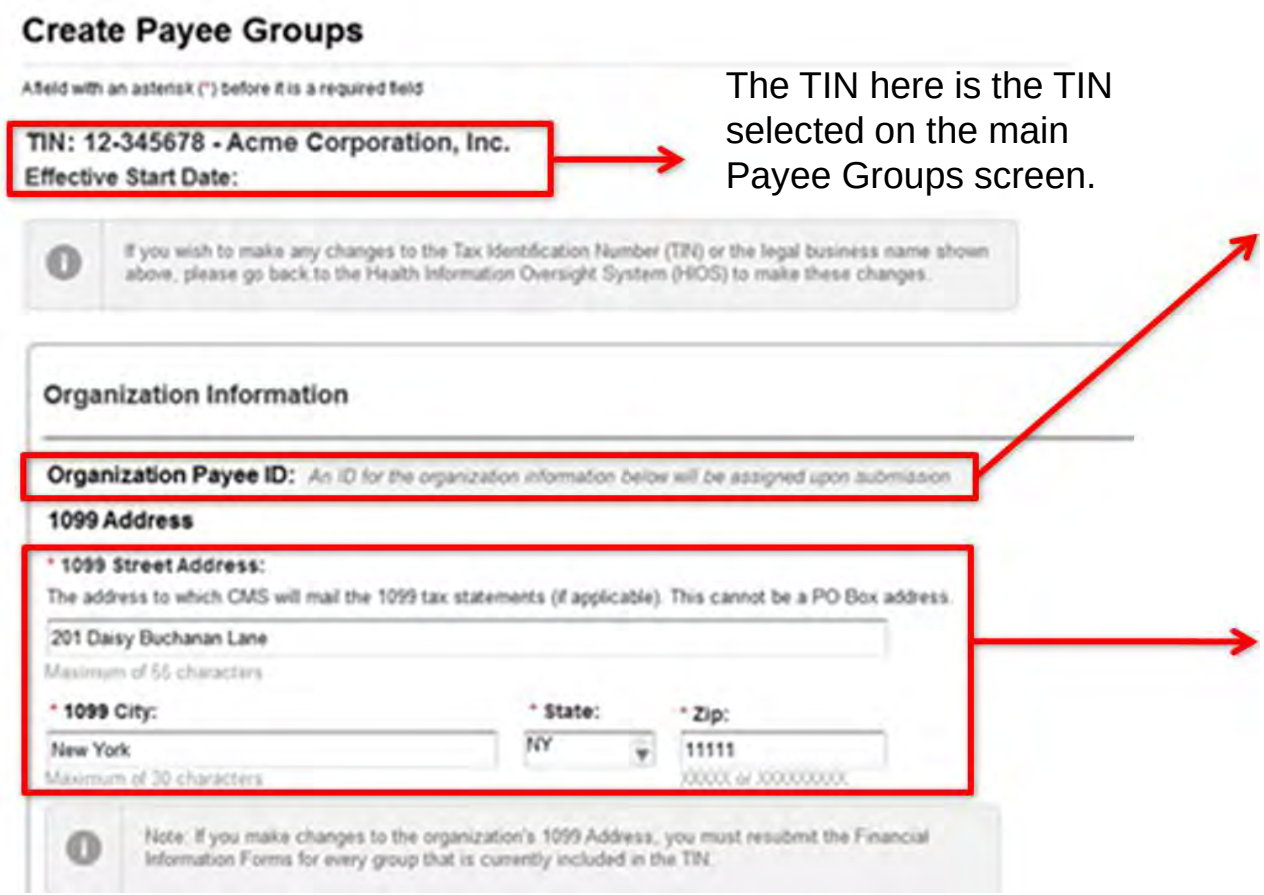
Click “Create Payee Groups” to begin the Payee Group creation process.

Create Payee Group
Payee Submitter Screen (continued)

Once the Submitter chooses to create a Payee Group, a screen appears with fields to create the Payee Group. The screen contains the following sections:

Section	Populated by System or Submitter
1099 Address	System/Submitter Populated
Payee Groups Contact	Submitter Populated
Financial Authority Contact	Submitter Populated
Assign to Payee Group – Payee Group List	Submitter Populated
Assign to Payee Group – Unassigned Issuer List	System Populated

Create Payee Group
Payee Submitter Screen (continued)



The TIN here is the TIN selected on the main Payee Groups screen.

The Organization Payee ID is blank. The ID is assigned upon submission of the Payee Group.

The 1099 address is pre-populated with the Domiciliary Address. The Submitter can modify the pre-populated address to an address to which CMS can mail 1099 tax statements for the Payee Group. Issuers should provide the address used when filing taxes.

Create Payee Group
Payee Submitter Screen (continued)

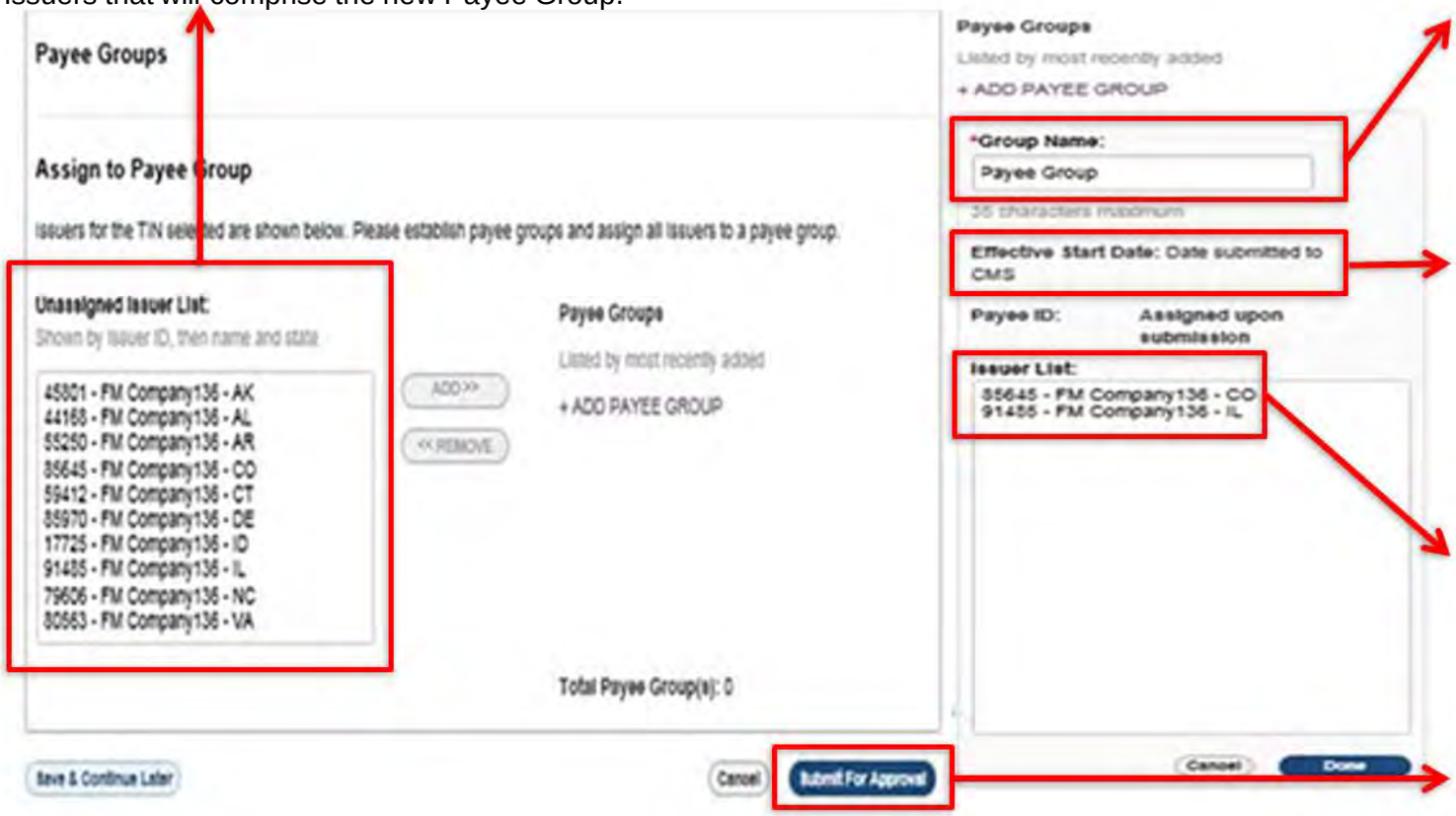
Enter the contact information including Name, Title, Phone Number and Email for the Payee Group's Contact.

Enter the contact information including Name, Title, Phone Number and Email for the Payee Group's Financial Authority.

CMS will contact the Payee Group Contact with questions regarding the Payee Groups and the Financial Authority with questions related to Invoices.

Create Payee Group
Payee Submitter Screen (continued)

The system displays a list of all Issuers, unassigned to a Payee Group, associated with the selected TIN. The Submitter selects the Issuers that will comprise the new Payee Group.



The Submitter creates a name for the new Payee Group.

The Effective Start Date is the date the Payee Group is submitted to CMS. The Payee ID is generated upon submission of the Payee Group. Both fields are system generated.

Issuers added from the Unassigned Issuer List populate the Issuer List.

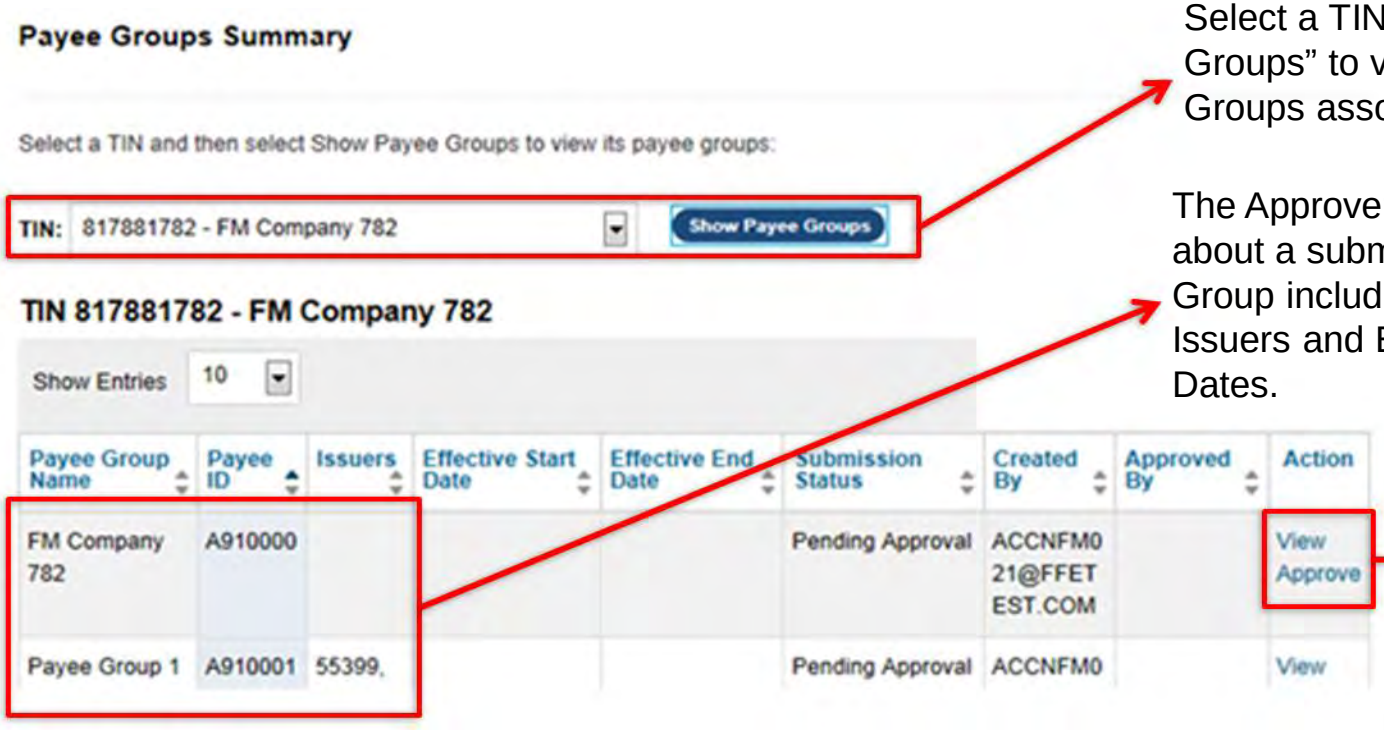
Submitter clicks "Submit for Approval" in order to submit the Payee Group for approval.

Create Payee Group—Reminder

- **If a user accidentally creates more than one (1) Payee Group, do not assign any issuers to it. Proceed with approval of the correct Payee Group.**
- **If there is an error in an approved Payee Group, do not create a second Payee Group; let the process proceed. The user can modify the Payee Group once CMS processes the Financial Information Form (FIF) associated with the Payee Group.**

Create Payee Group
Payee Approver Screen

To approve an Issuer-submitted Payee Group, the Payee Approver selects “Payee Groups” in the Financial Management Module. The following screen appears which allows the Approver to view and approve Payee Groups.



Select a TIN and click “Show Payee Groups” to view a list of Payee Groups associated with the TIN.

The Approver can view details about a submitted Payee Group including Payee IDs, Issuers and Effective Start Dates.

If a Payee Group is not yet approved, two (2) actions are available to the Payee Approver: “View” and “Approve”.

Create Payee Group
Payee Approver Screen (continued)

Once the Approver selects the “Approve” action, a screen appears with fields to review and approve the Payee Group. The screen contains the following sections:

Section	Populated by System or Approver
Organization Information	System Populated
Payee Groups – Unassigned Issuer List	System Populated
Payee Groups – Groups List	System Populated

The Approver should review all sections prior to approving the Payee Group.

Create Payee Group
Payee Approver Screen (continued)

The Organization Information and Payee Groups sections are populated with information input by the Payee Submitter. The Payee Groups section includes the Unassigned Issuer List and the Payee Group List. The Payee Approver reviews this information.

The Payee Approver can choose to Disapprove or Approve the Payee Group.

Payee Group Example

Payee Group Example

- Company of ABC

  TIN: 678362519

  - Issuer: 89372 (TIN: 678362519)
  - Issuer: 56934 (TIN: 678362519)

- Subsidiary Company of ABC

  TIN: 567341357

  - Issuer: 48972 (TIN: 567341357)

Payee Group Example

Payee Group Results

- Payee Group Name: ABC 1 (TIN: 678362519)
  - Payee ID: A456001
    - Issuer ID: 89372
    - Issuer ID: 56934
- Payee Group Name: ABC 2 (TIN: 567341357)
  - Payee ID: A789001
    - Issuer ID: 48972

***Note in the example above, the subsidiary company's TIN is different from the parent company's TIN, therefore they cannot be in the same payee group. They can, however, have the same bank account information.**

Submission of Financial Information

Financial Information Form

One component of the Financial Management module supports centralized information collection. The Financial Information Form (FIF) enables Issuers to input and verify banking information, billing address, and to collect ~~of~~ contact information and attestations prior to approving Issuers for payment.

Select “Financial Information Forms” in the Financial Management Module to access FIF Submitter or Approver functions.

FIF Roles and Responsibilities

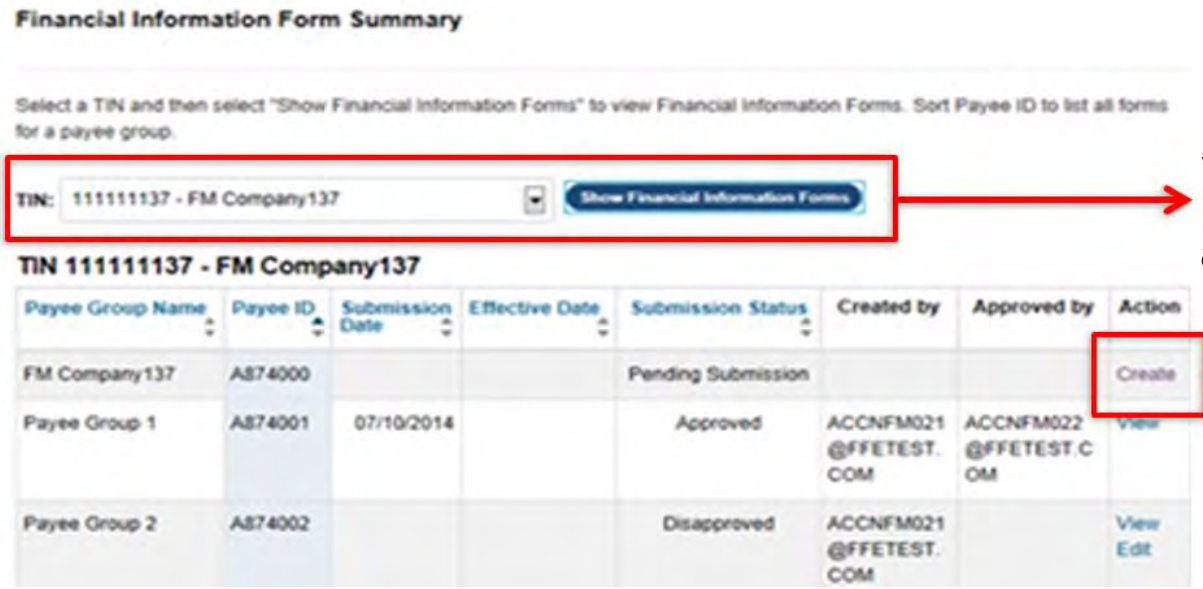
There are two (2) Issuer roles associated with the submission and approval of FIFs:

- FIF Submitter
- FIF Approver

FIF Submitter Roles and Responsibilities	FIF Approver Roles and Responsibilities
• Enters the billing address • Enters Payee Group FIF contact information • Enters Payee Group financial institution account and contact information • Confirms the submitted information is correct and makes changes as necessary • Views and/or edits FIF information	• Reviews FIF submissions • Signs the Authorization Agreement • Approves or Disapproves FIF submissions • Submits the FIF for CMS review **The FIF Approver cannot edit FIF information.**

Create FIF
FIF Submitter Screen

To begin the process of creating a FIF, the FIF Submitter selects "Financial Information Forms" in the Financial Management Module. The following screen appears which presents the Submitter with a list of Payee Groups and the associated TIN.



Select "Show Financial Information Forms" to view a list of Payee Groups.

Click "Create" to begin the process of creating a FIF.

Create FIF
FIF Submitter Screen (continued)

Once the Submitter chooses a Payee Group, a screen appears with fields to create the FIF. The screen contains the following sections:

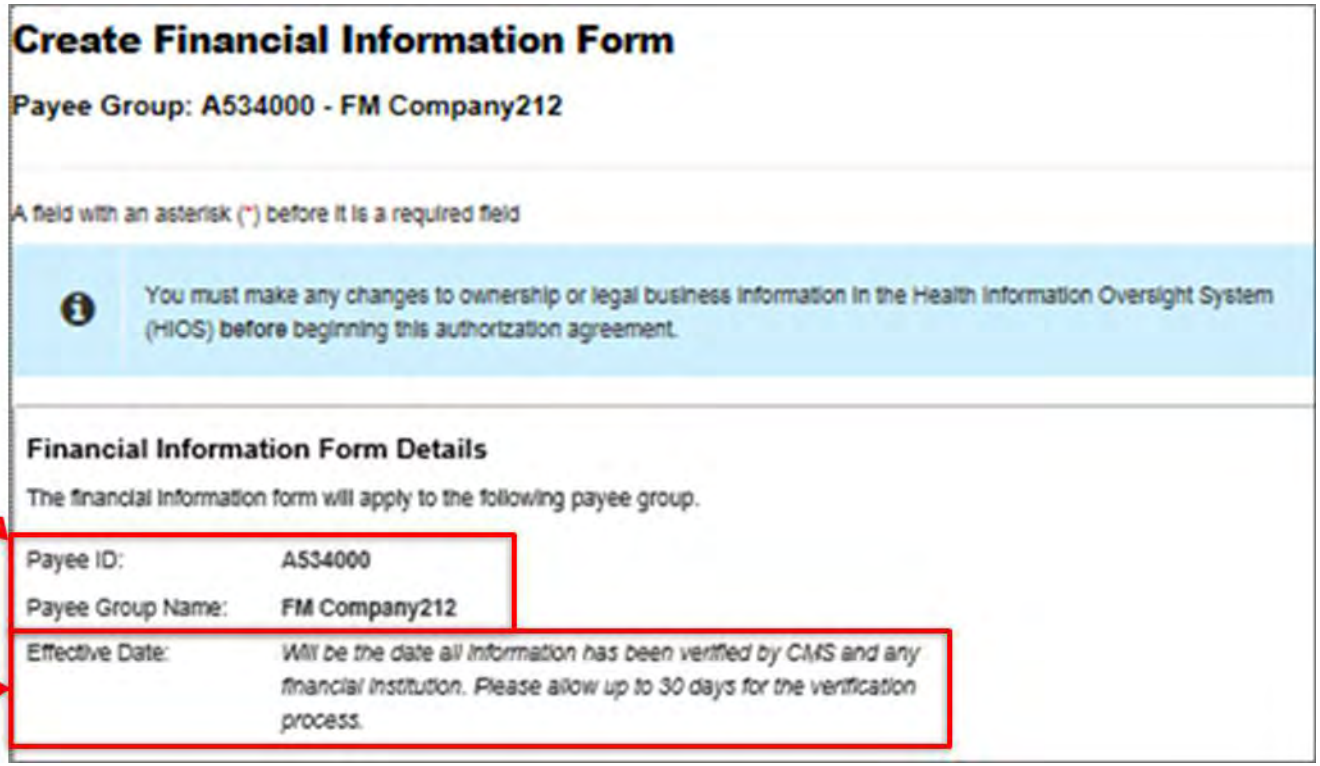
Section	Populated by System or Submitter
Financial Information Form Details	System Populated
Legal Business Information for Payee Group	System Populated
Billing Address	Submitter Populated
Payee Group Financial Institution	Submitter Populated
Payee Group Financial Institution Contact Information	Submitter Populated

Edits to data in **system populated sections** can only be made by returning to the Payee Group tab in the Financial Management Module.

Create FIF
FIF Submitter Screen (continued)

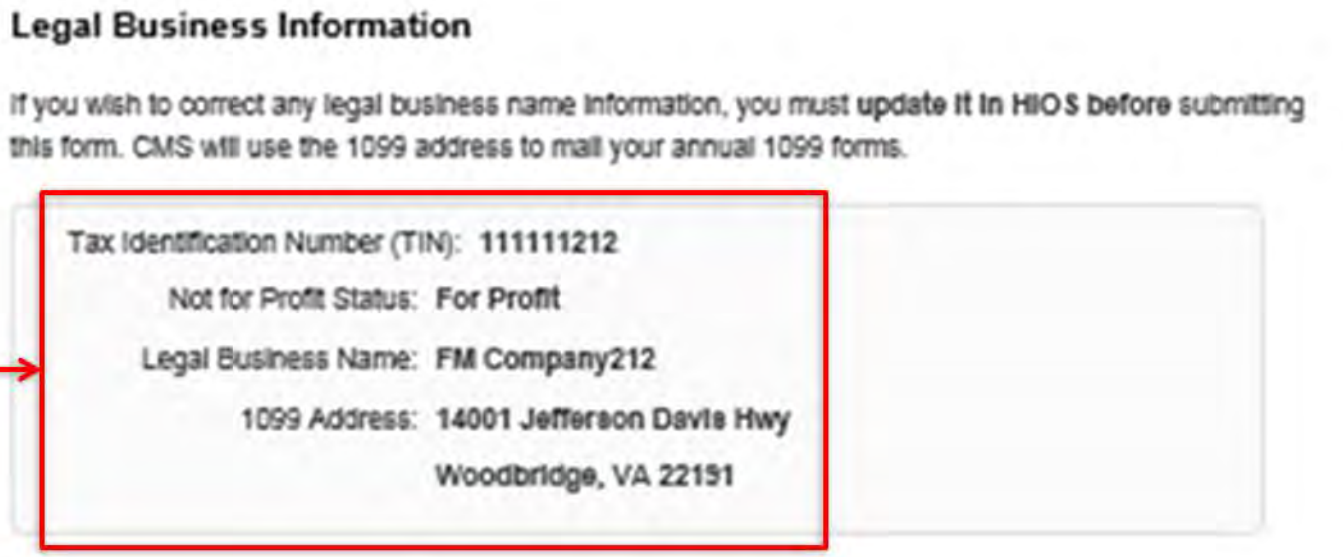
The Submitter must confirm Payee ID and Payee Group Name is correct. Edits to data in this section can only be made by returning to the Payee Groups tab in the Financial Management Module.

The Effective Date is system generated and represents the date CMS verifies the information.



Create FIF
FIF Submitter Screen (continued)

The system pre-populates the LBN fields with information previously submitted to HIOS, which the FIF Submitter must then confirms is correct. Edits to the TIN, LBN and Not for Profit status must be made in HIOS.

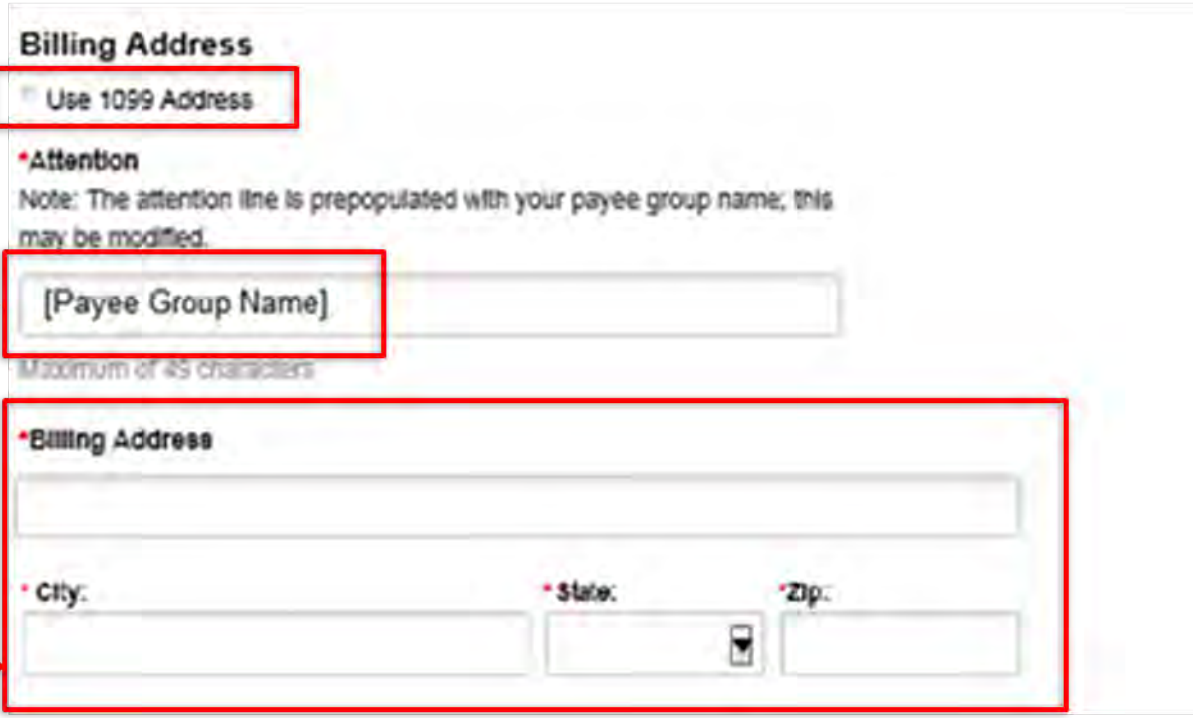


Create FIF
FIF Submitter Screen (continued)

Check the box if the billing address is the same as the address used for the 1099.

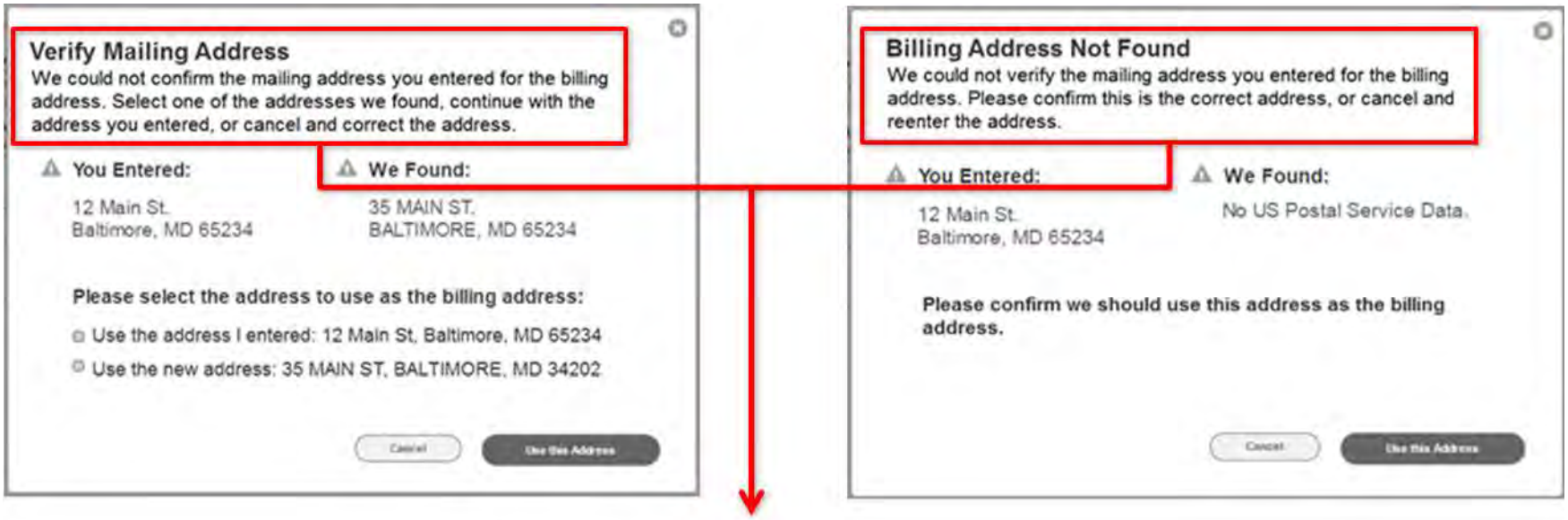
This line is system populated with the Payee Group Name. The FIF Submitter can modify this field with up to 49 characters. For example, enter an individual contact to whom the billing information is routed.

The billing address cannot be a P.O. Box. If the billing address is different from the address used on the 1099, the FIF Submitter must complete this section.



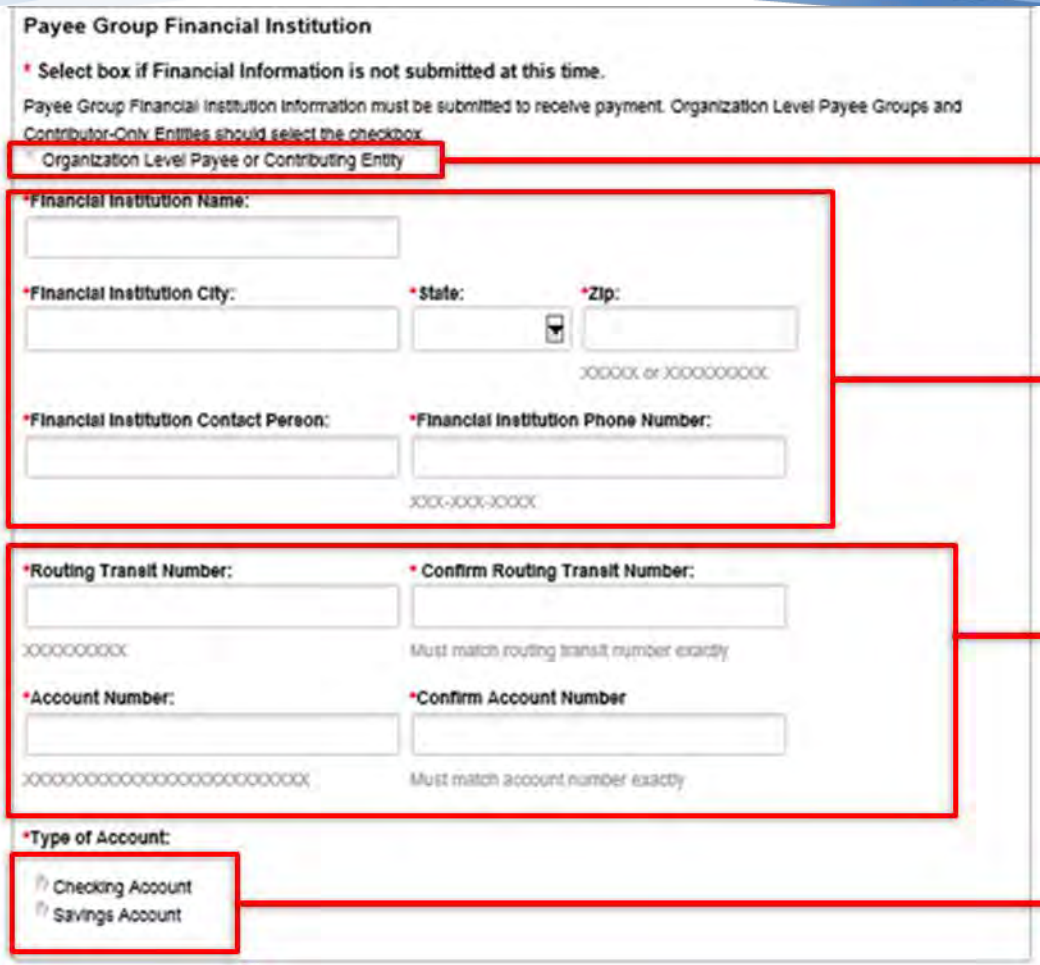
Address verification occurs automatically and the system will generate warning screens if the provided address does not match the USPS or Experian address.

Create FIF
FIF Submitter Screen (continued)



If the billing address entered by the Submitter cannot be found or verified, a warning screen appears with options to either select the correct address or reenter the address.

Create FIF
FIF Submitter Screen (continued)



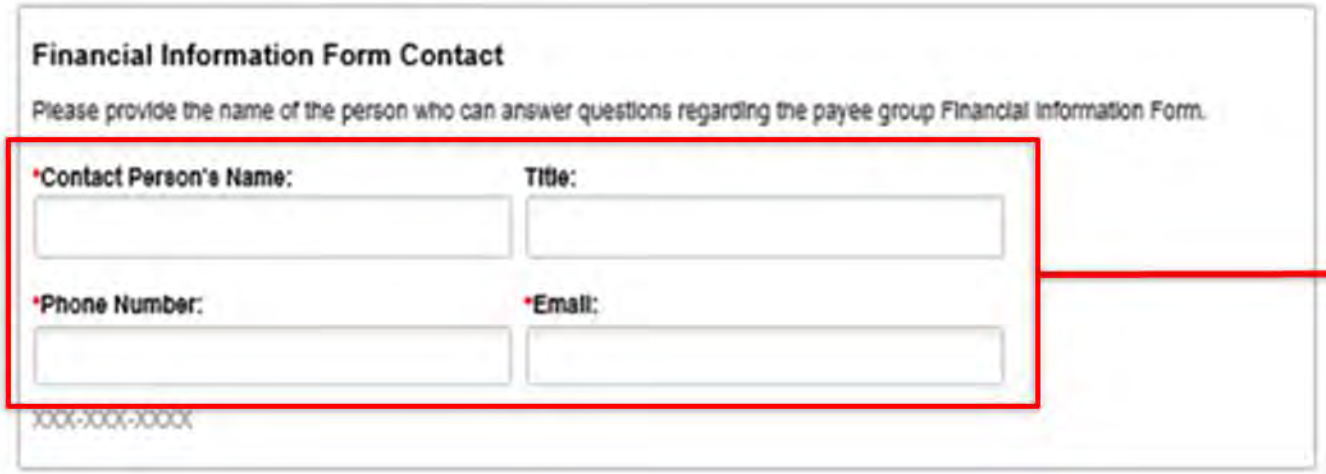
Check the box if the Payee Group financial institution is an insurance organization. If this box is checked, User cannot enter information for a financial institution.

These fields are populated with the financial institution name, billing address and contact information.

These fields are populated with the financial account information including the account number and nine (9) digit routing transit number. Both of these numbers are entered twice and both entries must match exactly.

Select whether the account is a checking or savings account. The account must be a checking or savings account.

Create FIF
FIF Submitter Screen (continued)

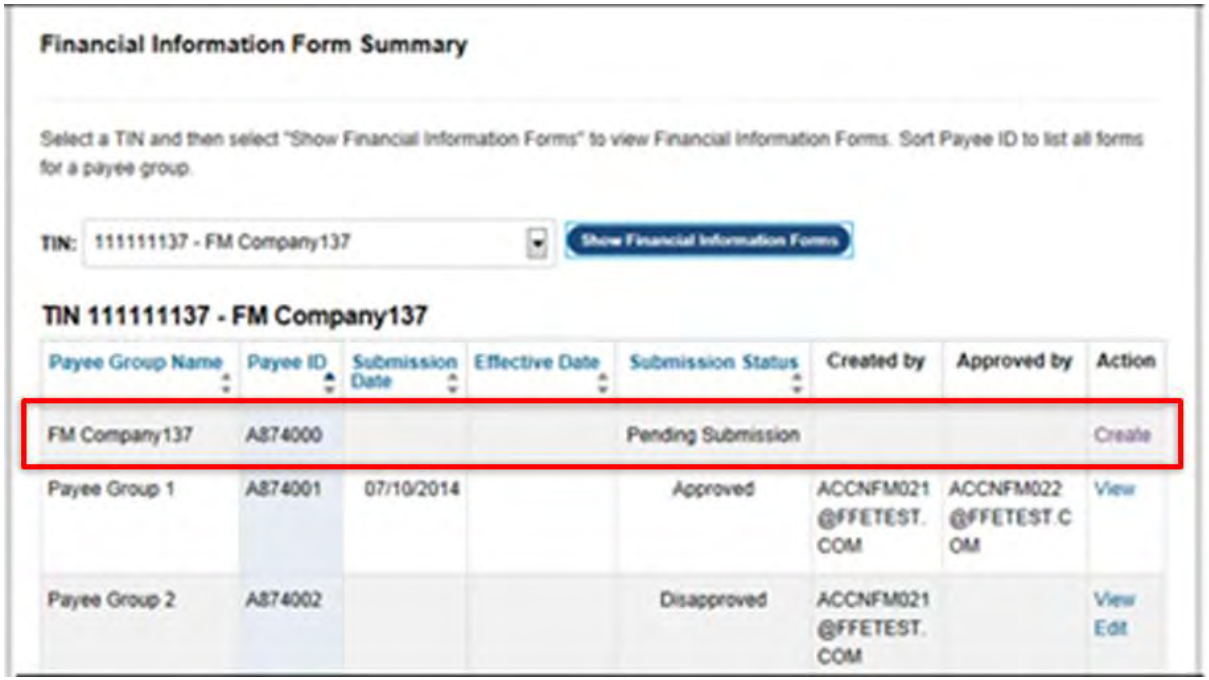


Enter the name, title, telephone number and email address of an individual whom CMS can contact for answers to questions regarding the FIF.

The contact should be an informed individual who is familiar with the Financial Information and can respond to questions in a timely manner.

Create FIF
FIF Submitter Screen (continued)

FIF Submitters should refer back to the summary table to confirm information is stored.



Financial Information Form Summary

Select a TIN and then select "Show Financial Information Forms" to view Financial Information Forms. Sort Payee ID to list all forms for a payee group.

TIN: 111111137 - FM Company137 — Show Financial Information Forms

TIN 111111137 - FM Company137

Payee Group Name	Payee ID	Submission Date	Effective Date	Submission Status	Created by	Approved by	Action
FM Company137	A874000			Pending Submission			Create
Payee Group 1	A874001	07/10/2014		Approved	ACCNFM021 @FFETEST. COM	ACCNFM022 @FFETEST.C OM	View
Payee Group 2	A874002			Disapproved	ACCNFM021 @FFETEST. COM		View Edit

Create FIF
FIF Approver Screen

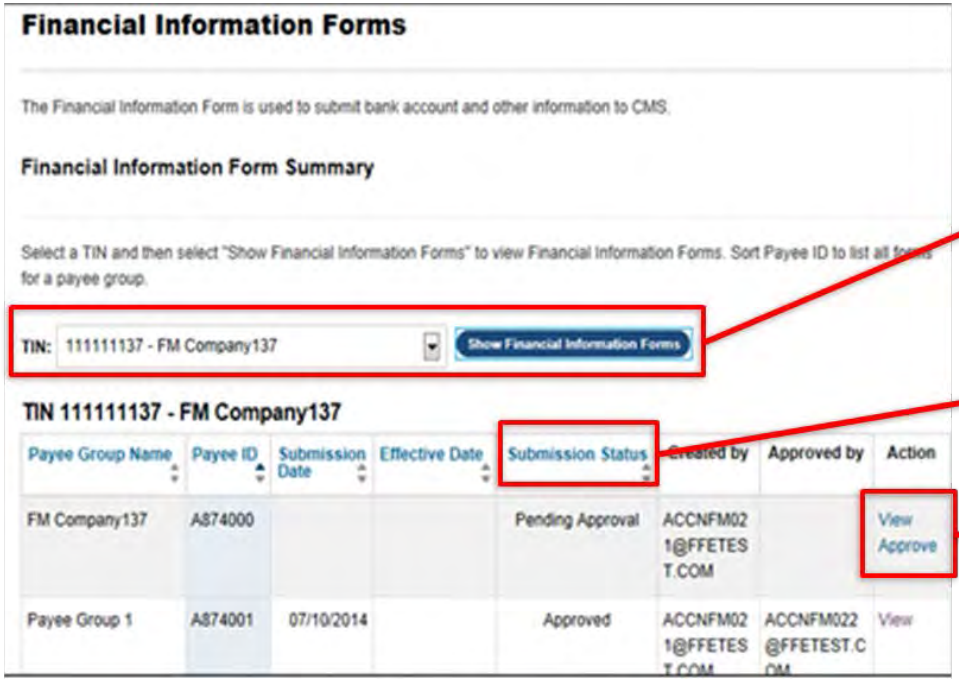
Once the FIF Approver selects the “Approve” action, a screen appears with fields to review and approve the FIF. The screen contains the following sections:

Section	Populated by System or Approver
Financial Information Form Details	System Populated
Legal Business Information for Payee Group	System Populated
Billing Address	System Populated
Financial Institution	System Populated
Payee Group Contact Information	System Populated
Authorization	Approver Populated

The system populated sections are populated with information previously provided by the FIF Submitter.

Create FIF
FIF Approver Screen (continued)

To begin the process of approving an Issuer-submitted FIF, the FIF Approver selects "Financial Information Forms" in the Financial Management Module. The following screen appears which, if "Show Forms" is selected, presents the Approver with a list of Payee Groups and associated TINs. This screen allows the Approver to view and approve FIFs.



Click "Show Financial Information Forms" to view a list of Payee Groups associated with the displayed TIN.

FIFs are assigned one of three statuses: Pending Submission, Pending Approval or Approved.

If a FIF has a Pending Approval status, two actions are available to the Approver: "View" and "Approve".

Create FIF
FIF Approver Screen (continued)

The FIF Details, Payee Group Legal Business Information, Billing Address, Financial Institution and Payee Group Contact Information sections are populated with information provided by the Submitter. The Approver reviews and approves this information.

Create FIF
FIF Approver Screen (continued)

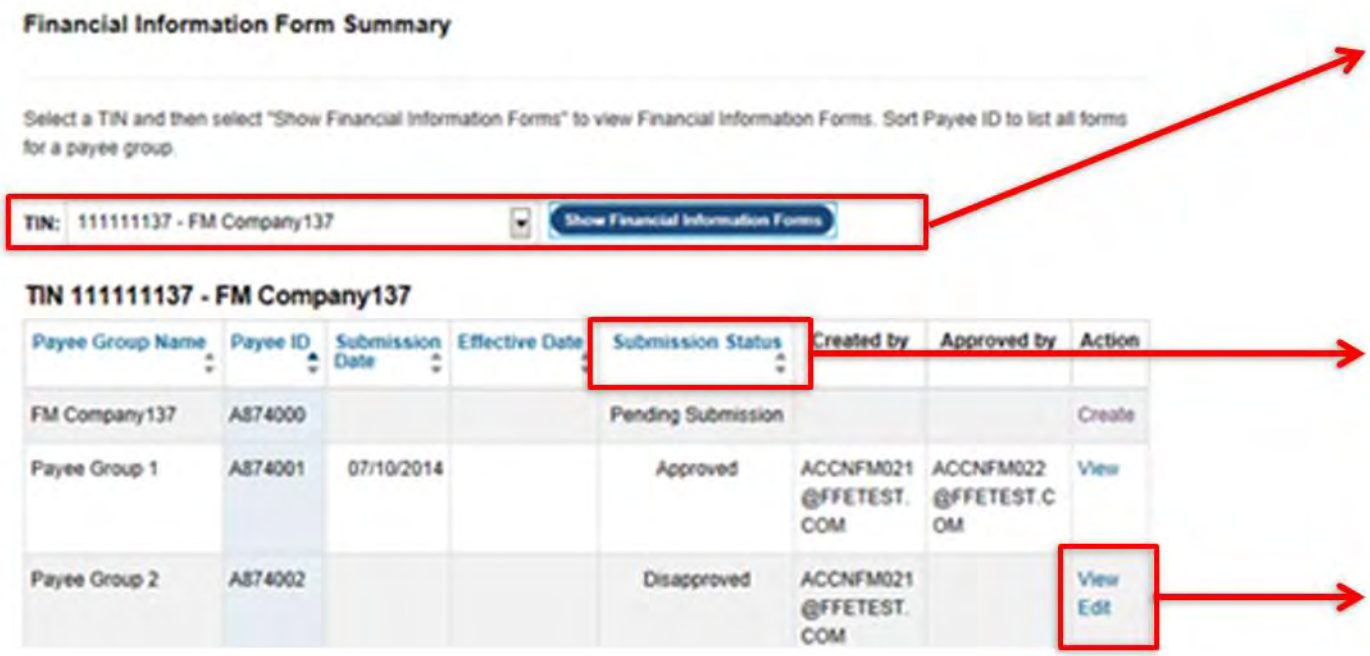
The Approver enters his or her Name, Title, Telephone Number and Email.

If the FIF is approved, the Approver enters an electronic signature and the date the FIF was approved in MM-DD-YYYY format.

The Approver can choose to Cancel, Disapprove or Approve the FIF.

Modify FIF
FIF Submitter Screen

FIF Submitters can view the details and status of existing FIFs. To view these details, select “Show Forms” on the Financial Information Forms screen in the Financial Management Module.



Click “Show Forms” to view a list of Payee Groups associated with the displayed TIN.

FIFs are assigned one of four statuses: Pending Submission, Pending Approval, Approved or Disapproved.

The Submitter can View, Edit or Delete a FIF.

FIF Verification

- CMS verifies the banking information submitted on the FIF
- If the FIF is rejected, CMS will notify the proper contact identified on the FIF. For example:

Contact	Reason
Payee Group	Issuers not assigned to a Payee Group
FIF Contact	CMS is unable to verify submitted banking information
Financial Authority	CMS requires further information related to on the payment

If the banking information cannot be verified and is not corrected or responded to in a timely manner, Issuers are at risk for not being paid.

Financial Information Form Verification: Bank Letter

For 2015, each new Payee Group must request that their identified Financial Institution submit a Bank Verification Letter directly to CMS by December 1, 2014.

- The Bank Verification Letter must be on official bank letterhead and contain the following information:
  - Issuer name on the account
  - Bank account type (checking/savings)
  - Electronic routing transit number
  - Bank account number
  - Authorized bank officer's name, signature and contact information

Submission of Bank Verification Letters

Financial Institutions should submit the **Bank Verification Letter** directly to CMS by facsimile to 301-492-4746.

Questions?

To submit questions by phone:

- *dial '14' on your phone's keypad*
  - *dial '13' to withdraw your question*

To submit questions by webinar:

- *type your question in the text box under the 'Q&A' tab*

Resources: Obtaining Correct TIN and LBN Information

Organizations can obtain accurate TIN and LBN information through the IRS:

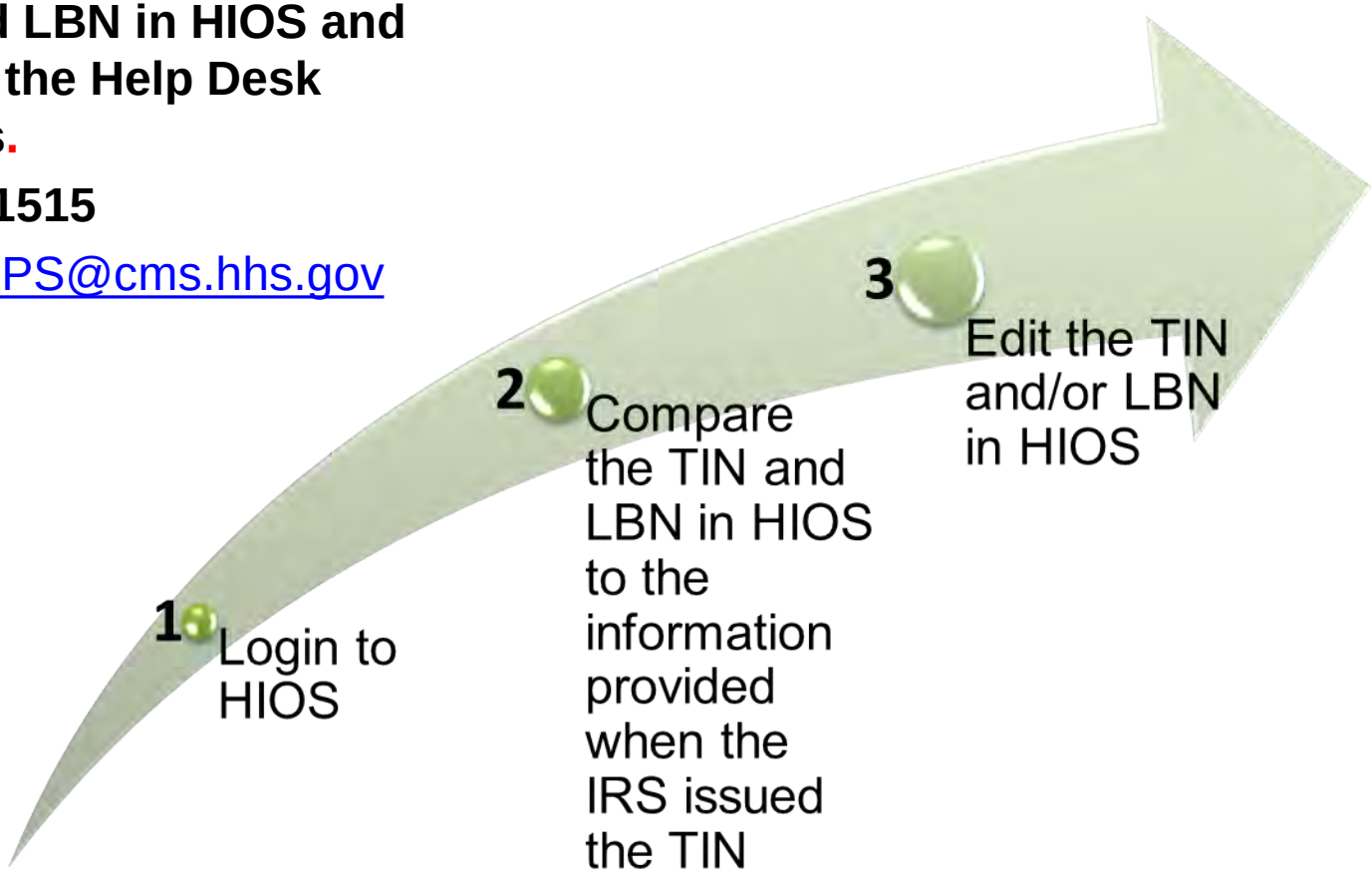
- Contact the IRS Business & Specialty Tax Line at (800) 829-4933
- Visit the IRS website at the following link: http://www.irs.gov/localcontacts/index.html

Resources: Correcting TIN and LBN Data in HIOS

The Company Administrator can edit the TIN and LBN in HIOS and should contact the Help Desk with any issues.

Call: (855) 267-1515

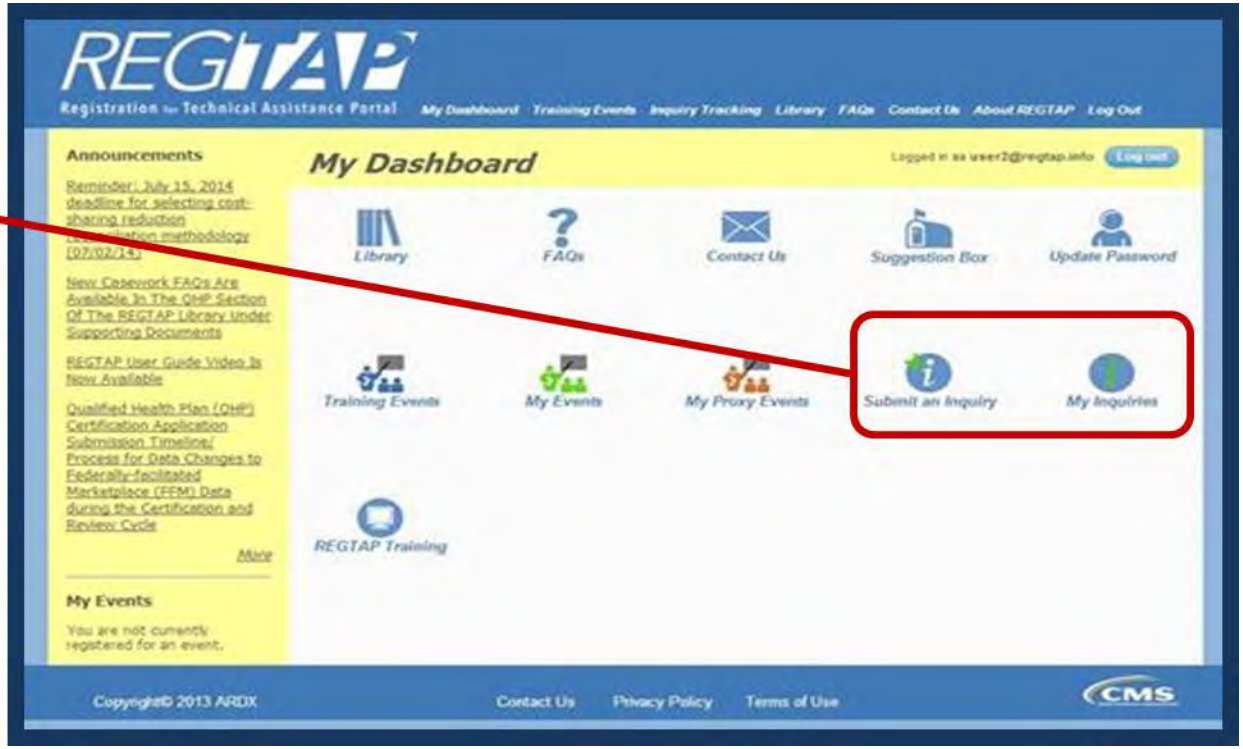
Email: CMS_FEPS@cms.hhs.gov



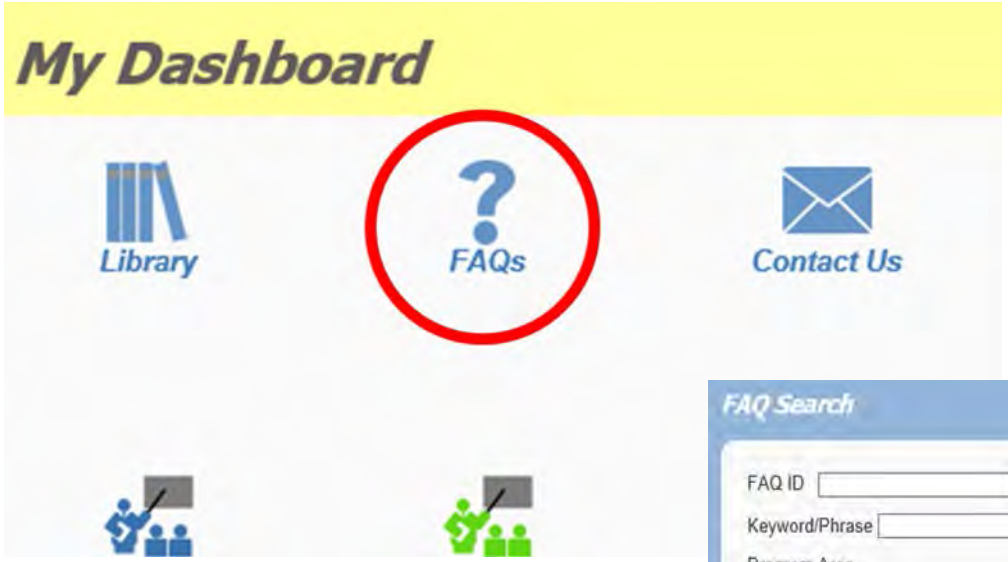
Inquiry Tracking and Management System (ITMS)

Stakeholders can submit inquiries to ITMS at https://www.REGTAP.info

Select “Submit an Inquiry” from My Dashboard.



FAQ Database on REGTAP



The FAQ Database allows users to search FAQs by FAQ ID, Keyword/Phrase, Program Area, Primary and Secondary categories, and Publish Date.

FAQ Database is available at https://www.regtap.info/

Closing Remarks

HTTPS://WWW.REGTAP.INFO