

Vendor Management Update

September 5, 2014

Financial Management and
Payment Process Session

Agenda

- Session Guidelines
- Session Purpose
- Vendor Management Process Overview
- Tax Identification Number (TIN) and Legal Business Name (LBN) Information
- Submission of Financial Information and Authorization Agreement
- Payee Groups and Trading Partner Agreements
- Questions
- Resources
- Closing Remarks

Session Guidelines

- This is a 60-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 an overview of the Vendor Management process for payment purposes, including the creation of Payee Groups and submission of financial information on the Financial Information Template, and verification of banking information.

Vendor Management Process Overview

Background

- Beginning in 2015, in addition to monthly Advance Premium Tax Credit (APTC) and Cost-Sharing Reduction (CSR) payments to QHP Issuers, HHS will make payments to Issuers under the reinsurance and risk adjustment programs established by the Affordable Care Act.
- HHS will make separate payments for premiums to FFM SHOP Issuers.
- CMS needs accurate financial information from Issuers in order to make timely payments.

Background (continued)

- Many Issuers submitted financial information to CMS in late 2013 and are receiving payments.
 - CMS will continue to use existing bank account information going forward.
- All FFM SHOP Issuers should submit complete financial information at this time.
- Current update: Payee Group consolidation
 - Some health insurance companies are impacted and have been contacted by CMS.
- New in late 2014: automated system for submitting financial information

Payment Information Needed

- In order to receive payments, health insurance companies need to complete a few simple steps:
 - Create a Payee Group and enter financial information in the Financial Information Template (FIT)
 - A **Payee Group** is a set of one or more Issuers that share the same TIN.
 - Sign and submit a Financial Information Authorization Agreement (FIAA)
 - Request a Bank Verification Letter for the bank account entered on the Financial Information Template
 - The Bank Verification Letter submitted directly to CMS from a Payee Group's financial institution provides verification of the banking information in the Financial Information Template.

What Information to Submit to Receive Payments

Document	Submitter
Financial Information Template	Health Insurance Company
Financial Information Authorization Agreement	Health Insurance Company
Bank Verification Letter	Financial Institution



Submit the Financial Information Template and signed Authorization Agreement to CMS via encrypted email. The Financial Institution submits the Bank Verification Letter via facsimile to 301-492-4746.

Document Location

- The Financial Information Template and Authorization Agreement will be posted in the REGTAP Library at <https://www.REGTAP.info>. Recently updated forms are posted.

Under Program Area, select “Payments – Payee Groups.”



TIN and LBN Information

TIN and LBN in HIOS

CMS requires accurate tax identification number (TIN) and legal business name (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 the first payment

TIN and LBN in HIOS

- Issuers should confirm their data in HIOS prior to creating Payee Groups and submitting the Financial Information Template.
- Refer to the TIN and LBN information in HIOS when completing the Financial Information Template.
- Issuers should contact HIOS with questions about their HIOS accounts.

Financial Information Template

Financial Information Template

- The Financial Information Template includes fields to collect HIOS Issuer ID and other financial information including bank account information.
- All Issuers in an organization should be assigned to a Payee Group.

Financial Information Template (continued)

- When completing the Financial Information Template, list each Issuer name, Issuer ID and Issuer State. All other fields should contain the same information for each Issuer in a given Payee Group.
- Health insurance companies should create a meaningful Payee Group name so correspondence related to a Payee Group is distinct.

Financial Information Template (Continued)

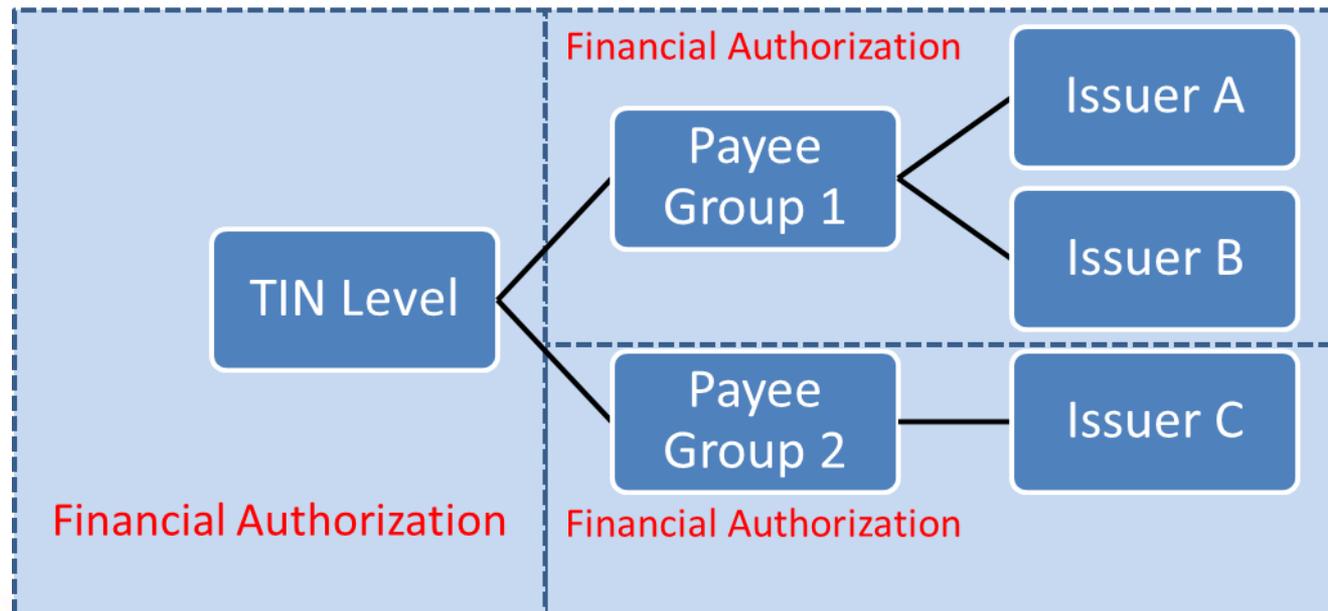
- There are **four (4) requirements** for assigning Issuers to Payee Groups in 2015:
 - All Issuers in a Payee Group must share the same TIN.
 - A Payee Group must include at least one Issuer.
 - All Issuers must be assigned to one Payee Group.
 - Each Issuer must be assigned to only one Payee Group.



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

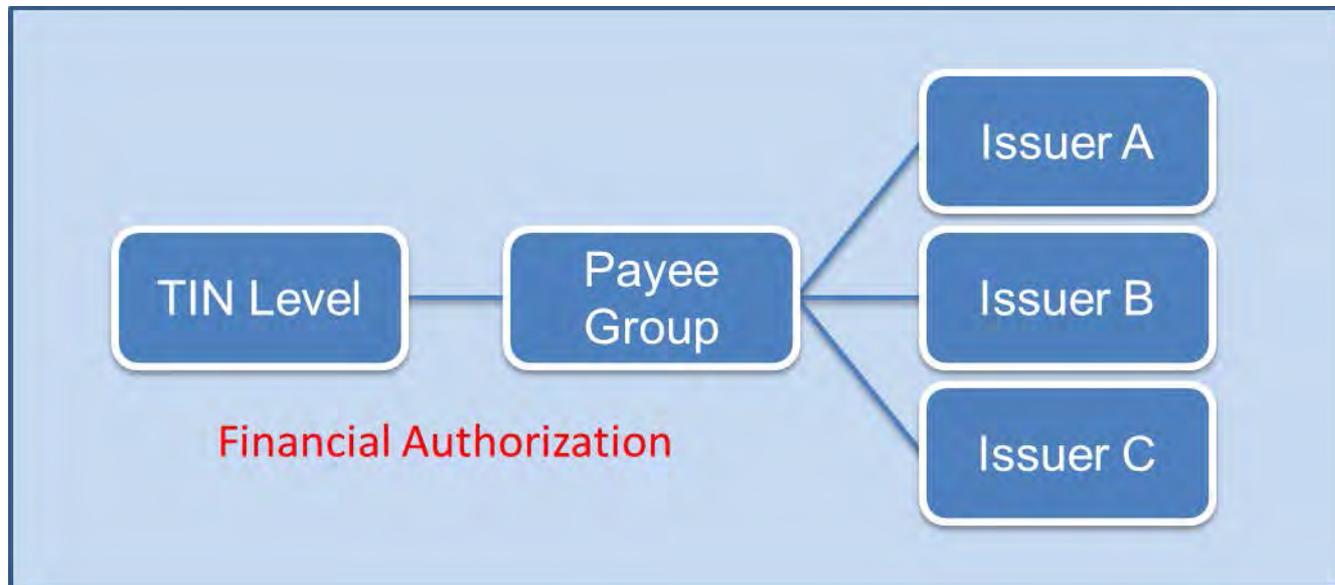
Payee Group Example 2014 – Old Process

An insurance company has three (3) Issuers. The company could set up one (1), two (2), or three (3) Payee Groups. In this example, two (2) Payee Groups are set up.



Payee Group Example 2015 – New Process

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

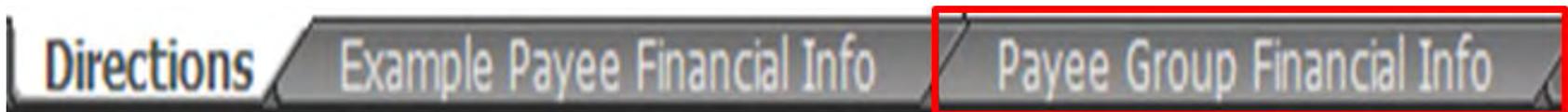


Financial Information Template Location

- The Financial Information Template is available in the REGTAP Library at <https://www.REGTAP.info>
- The Financial Information Template is a format to create Payee Groups and provide Payee Group financial information.

Financial Information Template

The Financial Information Template contains three (3) tabs:



Choose the Payee Group Financial Info tab to create Payee Groups and enter financial information.

Financial Information Template: Payee Group Fields

Enter Payee Group information:

Payee Group Name, Issuer ID, Issuer Name and Issuer State.

Payee Group Name	Issuer ID	Issuer Name	Issuer State

Enter a Payee
Group Name.

Assign Issuers to the
Payee Group.



Enter information for each Issuer assigned to the Payee Group in separate rows.

Financial Information Template: Organization Information Fields

Include the following information for each Organization: **TIN**, **LBN** and **Not for Profit Status**.

Tax Identification Number	Legal Business Name	Not for Profit Status (Y/N)
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Enter the TIN. Adhere to the nine (9) character limit in this field.

Enter the LBN associated with this TIN.

Enter "Y" for Yes or "N" for No to indicate the Organization's Not for Profit Status.



The **TIN**, **LBN** and **Not for Profit Status** should match the information submitted in HIOS.

Financial Information Template: Organization Information Fields (continued)

Enter the 1099 Address information, including:
Street Address, City, State and Zip Code.

1099 Street Address	1099 City	1099 State	1099 Zip Code
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Financial Information Template: Organization Information Fields (continued)

Enter information for two (2) individual contacts:
Payee Group Contact and **Financial Authority Contact**.

Payee Group Contact Name	Payee Group Contact Title	Payee Group Contact Phone Number	Payee Group Contact Email	Financial Authority Contact Name	Financial Authority Contact Title	Financial Authority Contact Phone Number	Financial Authority Contact Email
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Include the Name, Title, Phone Number and Email for the Payee Group Contact.

Include the Name, Title, Phone Number and Email for the Financial Authority Contact.



- The **Payee Group Contact** should be able to discuss the information in the Financial Information Template.
- The **Financial Authority Contact** should be able to discuss issues related to payments

Financial Information Template: Billing Address Fields

Enter the Billing Address information for the Payee Group, including: **Attention Line, Street Address, City, State** and **Zip Code**.

Billing Address Attention Line	Billing Street Address	Billing City	Billing State	Billing Zip Code
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Enter Attention Line information:
Payee Group name, Company
Representative name or other identifier
to signal the correspondence relates to
the Payee Group.

Financial Information Template: Financial Institution Fields

Enter the Financial Institution information for each Payee Group:

Financial Institution Name	Financial Institution City	Financial Institution State	Financial Institution Zip Code	Financial Institution Contact Person	Financial Institution Phone Number	Bank Routing Transit Number	Bank Account Number	Savings or Checking Account (C/S)
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Include the Financial Institution **Name, City, State** and **Zip Code**.

Enter the **Name** and **Phone Number** of a Financial Institution Contact.

Enter the banking information including **Transit Number, Bank Account Number** and indicate if the account is a **Checking** or **Savings** account.

Payee Group Example

Payee Group Example

A **Single Issuer Organization** will choose the Payee Group Financial Info tab and include Payee Group Information, Organization Information, Billing Address and Financial Institution information for one (1) Payee Group.

Payee Group Example (continued)

Payee Group			
Payee Group Name	Issuer ID	Issuer Name	Issuer State
West	65678	Group Health	CA



West Payee Group contains the single Issuer and its associated HIOS ID, Name and State.

Payee Group Example (continued)

Tax Identification Number	Legal Business Name	Not for Profit Status (Y/N)	1099 Street Address	1099 City	1099 State	1099 Zip Code
987654321	Great Health	N	132 Doctor St.	Anywhere	VA	98765



The **Organization Information** includes TIN, LBN, Not for Profit Status, and 1099 Address.

Payee Group Example (continued)

Payee Group Contact Name	Payee Group Contact Title	Payee Group Contact Phone	Payee Group Contact Email	Financial Authority Contact Name	Financial Authority Contact Title	Financial Authority Contact Phone	Financial Authority Contact Email
Gary Smith	Manager	123-456-7890	gary@email.com	Jan Doe	CFO	321-654-8787	janmoney@email.com



The **Organization Information** also includes the Payee Group Contact and Financial Authority Contact information for the Single Issuer Payee Group.

Payee Group Example (continued)

Financial Institution								
Financial Institution Name	Financial Institution City	Financial Institution State	Financial Institution Zip Code	Financial Institution Contact Person	Financial Institution Phone Number	Bank Routing Transit Number	Bank Account Number	Savings or Checking Account
The Bank	Anywhere	OK	65897	Mr. Bank	987-564-2589	987654321	564852987	C

One (1) set of **Financial Institution** information is included for the Payee Group.

Completing the Authorization Agreement

Provide one (1) signed Authorization Agreement for each Payee Group created on the Financial Information Template.

Payee Group Name: _____	
Authorized/Delegated Official's Name: _____	Telephone Number: _____
Title: _____	Email Address: _____
Signature: _____	Date: _____



Each Agreement must be signed by an **Authorized Official**: either the Chief Executive Officer (**CEO**) or the Chief Financial Officer (**CFO**) of the Health Insurance company.

Financial Information Template Verification

- CMS verifies the banking information submitted in the Financial Information Template.
- If the Financial Information Template is incomplete or contains inaccurate data, CMS will notify the Payee Group contact and/or the Financial Authority contact identified in the Financial Information Template. For example:

Contact	Reason for Contact
Payee Group contact	Issuers not assigned to a Payee Group
Financial Authority contact	CMS is unable to verify submitted banking information



If the banking information cannot be verified, or if inquiries are not responded to in a timely manner, Issuers are at risk of not being paid in a timely manner.

Submission of Financial Information and Authorization Agreement

Security Needs for Encryption

- After the FIT and FIAA forms are completed, they must be emailed to CMS in a secure manner.
- **All** submitted email documentation must be contained as an **encrypted attachment**.
 - Please make sure emails do not contain any of the requested sensitive information within the body of the email (e.g., TIN or banking information).

Security Needs for Encryption (continued)

- The attachment must be encrypted using a secure compression/encryption algorithm (e.g., Secure Zip).
 - The decryption code, or password, must be a minimum length of eight (8) characters and contain at least one (1) uppercase letter, one (1) lowercase letter, one (1) number and one (1) special character.

Where to Submit Completed Documentation

- Submit encrypted Financial Information Template and Authorization Agreement forms to vendor_management@cms.hhs.gov.
- Send the decryption code for each email submission to CMS by facsimile to 301-492-4746.

Financial Information Template

Verification: Bank Verification Letter



Each Payee Group must request that their identified Financial Institution submit a Bank Verification Letter directly to CMS.

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

Payee Groups and HIX 820 Trading Partner Agreements

What Are Trading Partner Agreements?

- In order to ensure proper routing of HIX 820 transactions, Payee Groups must complete Trading Partner Agreements.
- These Trading Partner Agreements must align with Payee Groups and include the Payee Group ID.
- HIX 820 Trading Partner Agreements must be at the Payee Group level and cannot be split at the QHP Level.

Payee Groups and HIX 820 Trading Partner Agreements

All Payee Groups may need to complete a new HIX 820 Trading Partner Agreements in order to align Payee Group information with financial reports.

- The Payee Group ID, which is transmitted from CMS to the Payee Group contact, is needed to complete the Trading Partner Agreement.
 - The Payee Group contact should provide the Payee Group ID to the appropriate contact to complete the Trading Partner Agreement.
- Trading Partner agreements are submitted to the HUB.

Trading Partner Agreement Form

- Issuers who have already completed a HIX 820 Trading Partner Agreement select “**Change**” in the drop down box to access the new Trading Partner Agreement.
- Issuers who are completing a HIX 820 for the first time, select “**Addition**” in the drop down box.

3) EDI Transactions List for the Organization. Refer to Instructions for Form completion. If the transactions have to be routed / received from other entities than the Partner described in Section 1 (i.e., The Partners will indirectly communicate with CMS through the entities, the Clearing House / Third Party Administrator. The values for these entities needs to be filled).

EDI Transaction or Service	Version	Reason for Request A/C/D	Start Date	End Date
834 – Benefit Enrollment	005010X220A1			
820 – Remittance Advice	005010X306	Change		
999 – Functional Acknowledgement	005010X231A1			
824 – Application Reporting for Insurance (Reserved for Future Use)				
Application Error Reporting (XML)	AER			
Direct Enrollment (Applicant Enrollment Web Services)	AEWS			
Employer Group Enrollment (SHOP Only)	EGRP			

4) List, as appropriate, the Qualified Health Plan Identifier and relationship to the FEIN/OEID.

Type	QHP ID (10 Characters)	Optional Clearinghouse Relationship (FEIN or OEID)
Add		

Add Item

* INCOMPLETE APPLICATIONS WILL BE RETURNED.*
 According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is [000-000]. The time required to complete this information collection is estimated to average (0) (45) per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Baltimore, Maryland 21244-1850.

Trading Partner Agreement Form (continued)

- The new Trading Partner Agreement requires the **Payee Group ID**.
 - If the Payee Group is using a Clearinghouse, please include the Clearinghouse Name and Clearinghouse Trading Partner ID (TPID).

Marketplace EDI Registration Form

Submit

Partner Type* Confirmation Number Form Type* New Change Remove

1) General Information. Do Not Write in Shaded Areas of this Form. Refer to Instructions for Form Completion. This Section Has to be Filled for All Scenarios Including New Registration, Change Registration and Removing a Partner.

Legal Business Name of Partner Submitting this Form*	Partner Name*	Tax Payer Identification Number*		
<input type="text"/>	<input type="text"/>	<input type="text"/>		
Street Address Line 1*	Street Address Line 2	City*	State*	Zip*
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
E-Mail Address*	Phone Number*		Extension	
<input type="text"/>	<input type="text"/>		<input type="text"/>	
Fax Number	Trading Partner ID*	Payee Group Number	Clearinghouse Name	Clearinghouse TPID
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

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

Resource	Resource Link
U.S. Department of Health & Human Services	http://www.hhs.gov/
Centers for Medicare & Medicaid Services (CMS)	http://www.cms.gov/
The Center for Consumer Information & Insurance Oversight (CCIIO) web page	http://www.cms.gov/ccio
Consumer website on Health Reform	http://www.healthcare.gov/
Registration for Technical Assistance Portal (REGTAP) - presentations, FAQs	https://www.REGTAP.info

Contact Information – Questions?

Subject	Resource Email
Questions on 820 HIX and Trading Partner Agreement	820-HIX-CompanionGuide@cms.hhs.gov
Questions on Vendor Management	vendor_managment@cms.hhs.gov

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.

1 Login to HIOS

2 Compare the TIN and LBN in HIOS to the information provided when the IRS issued the TIN

3 Edit the TIN and/or LBN in HIOS

Inquiry Tracking and Management System (ITMS)

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

Select “Submit an Inquiry” from My Dashboard.

The screenshot displays the REGTAP My Dashboard. The top navigation bar includes links for Registration, Technical Assistance Portal, My Dashboard, Training Events, Inquiry Tracking, Library, FAQs, Contact Us, About REGTAP, and Log Out. The main content area is divided into sections: Announcements, My Dashboard, and My Events. The My Dashboard section contains a grid of icons for Library, FAQs, Contact Us, Suggestion Box, Update Password, Training Events, My Events, My Proxy Events, and REGTAP Training. A red box highlights the 'Submit an Inquiry' and 'My Inquiries' icons. A red arrow points from the text 'Select “Submit an Inquiry” from My Dashboard.' to the 'Submit an Inquiry' icon.

FAQ Database on REGTAP

My Dashboard



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/>

FAQ Search

FAQ ID Enter numeric FAQ ID only

Keyword/Phrase

Program Area
Select All
Agent Broker
Distributed Data Collection for RI and RA/Edge Server
Enrollment and Eligibility
Event Registration and Logistics

Primary Category

Secondary Category

Publish Date
Start Date 22 End Date 22

Closing Remarks