Department of Health & Human Services

Centers for Medicare & Medicaid Services
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Centers for Medicare & Medicaid Services (CMS)

Frequently Asked Questions (FAQs) on Reconciliation of the Cost-Sharing Reduction Component of Advance Payments for Benefit Years 2014 and 2015 (FAQS #4)

Exchange Subscriber IDs

REGTAP 15384

Q1: Which Subscriber ID should issuers use when aggregating policies in the same plan variation, for example as the result of a CIC or a gap in coverage?

A1: Issuers should use the last or current Subscriber ID when aggregating policies.

REGTAP 15385

Q2: What should the issuer do when filling two (2) policy records in different plan variations, each with a different Subscriber ID, for the same person?

A2: The issuer should report the policies under their respective plan variations, using the applicable Subscriber ID for the policy, and carry over accumulators, if applicable.

REGTAP 15386

Q3: In the case of multiple Subscriber IDs for an enrollee whose accumulators must be carried over, how can the issuer determine that the subscriber is the same?

A3: Issuers should compare the name and subscriber's Social Security Number (SSN) and other identifiers, such as address or an issuer assigned member Identification Number on the policies.

REGTAP 15387

Q4: CMS tells issuers to aggregate policies for one (1) person under one (1) subscriber. Does CMS object if an issuer wants to keep the subscribers separate so that they match enrollment data?

A4: Issuers should aggregate policies for the same subscriber in the plan variation, regardless of whether accumulators carry over. CMS instructs issuers to aggregate policies in a plan variation in the case of a change in circumstance or gap in coverage to avoid duplication of reporting and because in many cases, accumulators carry over. Even when not required to carry over accumulators, the issuer uses the same parameters to re-adjudicate these policies. When aggregating policies, report only one (1) Subscriber ID (for Data Element ID 302 "Exchange Assigned Subscriber ID" in the Policy Detail Record) and include only one (1) Subscriber ID in the count of "Total number of Exchange Subscriber IDs in this plan variation for the benefit year" in the Plan Summary level. If an issuer does not combine the policies into one (1) record and reports them separately, CMS will not reject the record or file. However, if the issuer submits multiple policy records under the same Exchange Subscriber ID, the issuer must ensure that cost-sharing information is not duplicated. Whether combining records or reporting them separately, the issuer must follow accumulator rules to determine CSR provided.

REGTAP 15388

Q5: If a member changes variant throughout the year, how do we report this? For instance, member was in same product the entire year but moved from Variant 04 (73 Actuarial Value) to 05 (87 Actuarial Value) halfway through the year. On the CSR submission, do we report the member aggregated as being Variant 05/1/1 to 12/31? Or, do we report the member twice, once in Variant 04 1/1 to 5/31 and once in Variant 05 6/1 to 12/31? Does the same rule apply when a member goes from Silver 70 to Silver 94 and vice versa?

A5: You report the subscriber twice. Since these are two (2) different plan variations, whether or not they have one (1) or more Subscriber IDs, the issuer needs to adjudicate, re-adjudicate separately, and file two (2) separate reports, whether or not the issuer also is required to carry over accumulators.

When the subscriber moves from the standard Silver Plan 70 (no CSRs) to the Silver 94 and then back to Silver 70, there would be one (1) policy report, for the Silver 94, since that is the only CSR plan. However, accumulators must transfer if there is no gap, or, if there is a gap, accumulators may transfer depending on issuer policy.

REGTAP 15389

Q6: Can issuers use their own internal Policy IDs in place of Subscriber IDs assigned by State-Based Exchanges? How will this affect audits?

A6: For State-based Exchanges, issuers may report their internal Policy IDs instead of the "Exchange Assigned Subscriber ID," if the internal Policy ID is associated with a valid subscriber for the time period for which data is being submitted, and if the issuer believes that the internal Policy ID provides a more accurate means of identifying the policy and subscriber as compared to the "Exchange Assigned Subscriber ID". Issuers should be sure to still follow the format requirements for the "Exchange Assigned Subscriber ID", as outlined in the CSR Reconciliation Issuer to MIDAS Inbound Specification document. This will not cause an audit issue for data that is submitted in the 2016 cycle.

Accounting for Non-Issuer Subsidies

REGTAP 15323

Q7: If the original cost-sharing reduction eligible claim has a discount applied, should issuers apply this discount on the shadow claim?

A7: In the case of a subsidy to the enrollee from a state or non-profit organization, no similar discount should be applied to the "shadow" claim, or what the enrollee would have paid in the standard plan. The issuer should compare the non-discounted or non-subsidized amount the enrollee paid to the non-discounted amount the enrollee would have paid in the standard plan to determine CSR provided. In sum, the issuer may not subtract any state or non-profit subsidy to the enrollee cost share from the "Amount the Enrollee Paid" for the purposes of CSR reconciliation. See REGTAP FAQ 14879 and 14880.

Simplified Methodology

REGTAP 15390

Q8: When aggregating self-only and other than self-only policies after a change in circumstance, page 16 of the CMS reconciliation manual states that an issuer should aggregate the two (2) policies into one (1) report and calculate separate effective cost-sharing parameters for self-only coverage and other than self-only coverage for the plan variation. Does this also apply to the simplified actuarial value methodology? What if the issuer does not have separate effective cost sharing parameters for self-only and other-than-self?

A8: Yes, this does apply to the Simplified Actuarial Value (AV) method. Issuers should aggregate policies that change from self to other than self-only in the same variation when using the simplified AV methodology, regardless of whether they calculate separate effective cost-sharing parameters for self-only coverage and other than self-only coverage.

REGTAP 15391

Q9: At what level should the Simplified Actuarial Value (AV) method formula apply for plans with embedded out-of-pocket limitations?

A9: The annual limitation used in the simplified AV methodology calculation is always the annual limitation of the policy level, (for example, other than self-only for the standard plan). As discussed on p. 23 of the CSR Reconciliation Manual for 2014 and 2015 Benefit Years, "Issuers must use the other than self-only annual limitation on cost-sharing for the standard plan for family plans with embedded individual limits."

REGTAP 15392

Q10: When standard plans have separate deductibles for Medical and Rx, but the annual out-of-pocket (OOP) maximums to Medical and RX is combined, how do you develop the separate parameters for Medical and Rx?

A10: When developing parameters for medical and pharmaceutical claims with separate OOPs but a combined deductible, issuers should develop effective parameters for the following subgroups: medical claims toward deductibles/combined medical & pharmaceutical Maximum Out-of-pocket (MOOP) and pharmaceutical claims toward deductible/combined medical & pharmaceutical MOOP.

Issuers Who Did Not Receive Advance Payment in 2014

REGTAP 15293

Q11: For the 2014 Benefit Year, issuers of zero (0) and limited cost-sharing plans were permitted to opt out of providing the data CMS required to estimate advance payments for CSRs provided. If an issuer did not submit data or receive advance payment in 2014, but provided CSRs to American Indians/Alaska Natives as required, should the issuer enter "zero" for advance payment?

A11: Any issuer that did not receive advance payment from CMS but who provided CSR should enter zero (0) in the issuer summary record (109) "Total CSR Amount Advanced to the Issuer by CMS." Such issuers should complete all other data fields like any other issuer, to substantiate CSRs provided.

Attestations

REGTAP 15394

Q12: Do the attestations need both Chief Financial Officer (CFO) and Chief Actuary or can we choose which one (1)?

A12: You must include both signatures if you are submitting Attestation Form D. Attestation Form D is the only form that requires both signatures.

REGTAP 15395

Q13: In my organization, the individual who oversees actuarial functions is not a lettered actuary. Would it be appropriate for this individual to sign the attestation?

A13: Yes, an individual that oversees actuarial functions, a delegate of the actuary, or a person that is capable of financially-binding the organization (for example, the issuer CFO or CEO) may sign the attestation.

Data Submission Deadline

REGTAP 15396

Q14: Under what circumstances would an issuer not be allowed to re-submit Benefit Year 2014 CSR data in 2017 CSR filing?

A14: CMS expects issuers to reconcile all claims in a timely manner. Please see page 6 of the Manual for Reconciliation of the CSR Component of Advance Payments for Benefit Years 2014 and 2015. To the extent that issuers have late claims for 2014, for example due to appeals or unusual circumstances (to be determined by CMS), issuers may re-adjudicate and submit claims from the 2014 Benefit Year in the next CSR reconciliation reporting cycle in April of 2017.

REGTAP 15397

Q15: What are the consequences if submission files are not submitted by the 5/2 deadline?

A15: CMS will provide additional guidance; generally, however, if an issuer does not submit data as required, CMS will recoup advance payments paid to the issuer for the applicable benefit year.