FM Payment Processing I: PPRs/Invoicing/HIX 820 Netting and Payment Disputes Update

November 28, 2016

FM Payment Processing I

CMS CENTERS FOR MEDICARE & MEDICAID SERVICES

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Overview

Today's webinar will contain two (2) parts:

- The first half of this webinar will be our recurring, biweekly Financial Management Payment Processing webinar which will provide information related to the Federally-facilitated Marketplace (FFM) payment process.
- The second half of this webinar will contain an extensive welcome overview for all new FFM Issuers to the Health Insurance Marketplace.

Agenda

- PPRs/Invoicing/HIX 820 Netting
- Payment Dispute Updates

PPRs/Invoicing/HIX 820 Netting

Example: Netting October Cycle Transactions and Outstanding August Cycle Receivable

- When there are outstanding unpaid receivables from prior months, any payments will net against those receivables per the standard netting order. This adjustment to total payment will be reflected in the total payment on the HIX 820.
- Example:
  - October Cycle Transactions: Net Amount = $120,000.00

Program	Amount	
CSRMADJ	$	10,000.00
APTCMADJ	$	50,000.00
CSRN	$	100,000.00
RAUF	$	(40,000.00)

  - August Cycle Outstanding Receivable: $(10,000.00)

Program	Amount	
RA	$	(10,000.00)

Preliminary Payment Report (PPR) Example

- The PPR provides a list of all October cycle transactions by payee prior to netting across programs and the August outstanding receivable.

Transaction Set Control Nui	XXXXX															
Run Date	10/06/2016 6:00															
Payee ID	AXXXXXX															
Payment Method Code	NON															
Policy-Based Transition Mo	201610															
Total Payment($)	120000															
Payee APTC Total($)	50000															
Payee CSR Total($)	10000															
Payee UF Total($)	0															
Issuer ID	Issuer APTC Total($)	Issuer CSR Tot	Issuer UF `	Exchange	Exchange	Exchange	Issuer Ass	Issuer Ass	Policy Tot	Exchange Pa	Payment Amo	Exchange	Exchange	Coverage Peri	Coverage Period End Date	
12345	50000	10000	0							CSRMADJ	10000			20161001	20161031	
12345	50000	10000	0							APTCMADJ	50000			20161001	20161031	
12345	50000	10000	0							CSRN	100000			20160901	20160930	
12345	50000	10000	0							RAUF	-40000			20160901	20160930	

Netting Order

- The largest Accounts Payable (AP) transaction involved in the current cycle is used to net against the Accounts Receivable (AR) according to the netting priority below.
  - If there are multiple ARs for the same program, the oldest AR will net first, and if ARs have the same date, the largest AR will net first.
  - If there is administration and interest associated with a program, the administration and interest for that program will net first before principal.
- Netting Priority
  - RA > RC > RI > APTC, CSR > FFM UF, RA UF

Invoice Example

- Issuers will receive an invoice for any charges not covered in the current payment cycle after netting against other payments. Sample Invoice:

DUNNING LETTER- FIRST REQUEST

Program : Risk Adjustment Program
Entity ID : AXXXXXX
Invoice Number : X15XX160812345003
Invoice Date : 12-AUG-2016
Invoice Amount : $10,000.00
Payment Due Date : 11-SEP-2016

- After the payment due date indicated on the invoice, if invoice amount is not paid, administration and interest charges will accrue.
  - Interest is assessed 30 calendar days from the date of the Initial Invoice for each 30-day period payment is delayed.
  - An administrative fee of $15 will be added to the unpaid balance not paid within 30 calendar days from the date of the Initial Invoice.

Making Payment and Intent to Refer Letter

- Making payments to CMS:
  - Any payments made are applied to administrative and interest charges **first.**
  - If making a payment after the invoice due date, reach out to **CCIIOInvoices@cms.hhs.gov** to confirm total payment due to ensure that entire principle (including any administrative and interest) is paid.
  - If payment is not received on any past-due invoices before the next payment cycle, CMS will net any payments against unpaid charges (netting against admin and interest charges first) following the standard netting order.
- If an invoice is not paid (through Issuer payment or netting) after 60 days, an Intent to Refer Letter is sent to the Issuer.

INVOICE FINAL REQUEST

Re: Program : Risk Adjustment
Program Entity ID : AXXXXXX
Invoice Number : X15XX160812345003
Invoice Date : 12-AUG-2016
Invoice Amount : $10,000.00
Interest Charge : $XXX.XX
Administrative Fee : $XX.XX
Total Amount Due : $XXX,XXX.XX

- If the invoice is not paid in full, including any administrative and interest charges that have accrued, after 120 days, the debt will be referred to Treasury (Note: Additional administrative (up to 30%) and penalty charge (6% per year) on any amount outstanding will be assessed. Interest will also continue to accrue.)

HIX 820 Example

- The HIX 820 will provide a view of all October cycle transactions and the August offset that occurred due to netting.

ns1:ExchangePayme	ns1:PaymentAm	ns1:ExchangeReportCode	ns1:DocumentControlN	ns1:PaymentCovera	ns1:PaymentCovera
REDUCED	-10000	INVOICERPT	X15XX160812345001	10/01/2016	10/31/2016
APTCMADJ	50000	ISSUERIDRPT	12345	10/01/2016	10/31/2016
CSRN	100000	ISSUERIDRPT	12345	09/01/2016	09/30/2016
CSRMADJ	10000	ISSUERIDRPT	12345	10/01/2016	10/31/2016
RAUF	-40000	ISSUERIDRPT	12345	09/01/2016	09/30/2016

Payment Disputes Update

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Payment Dispute Processing Changes

Presentation Outline:

I. New Payment Dispositions.

II. Tips for resolving disputes that receive the following detail codes.

- F4SR3
- F8SR4
- F10SR4

Submitting Payment Disputes

Please submit your Payment Disputes!

- Submit a Payment Dispute for any record perceived to be incorrect.
- Issuers may submit large volumes of disputes without impeding processing time.

Re-Dispositioning

- The December 1st Semi-Monthly Report includes dispute re-dispositioning.
  - A dispute with a disposition changed to C5, indicates the dispute was already corrected by adjustments.
  - A dispute with a disposition changed to C2, indicates the dispute is a timing issue which will update in the next cycle.
  - A dispute with a disposition changed to R9, indicates the dispute is a mismatched policy.

Tips for Resolving Detail Code F4SR3

- F4SR3 (R1 disposition)
  - The Exchange Assigned Policy ID is a required field. Issuers must maintain in their records the Exchange Assigned Policy ID for each subscriber enrolled in order to be able to accurately identify the latest policy-based payment details supplied by the FFM in the payment file formats.

Tips for Resolving Detail Codes F8SR4 and F10SR4

- F8SR4 / F10SR4 (R2 disposition)
  - If any FFM dollar value is present on the dispute, then the FFM Coverage Period Start/End Dates must be populated with the values that appear on the PPR/HIX 820.
  - If anything other than a 0/0.00 or blank appears in the following FFM dollar amount fields, then the two (2) FFM date fields must be populated:
    - [F12] Policy Total Premium Amount (FFM)
    - [F14] APTC Amount (FFM)
    - [F16] CSR Amount (FFM)
    - [F18] UF Amount (FFM)

Questions?

To submit or withdraw questions by phone:

- *Dial ***#** (star-pound) on your phone's keypad to ask a question*
  - *Dial ***#** (star-pound) on your phone's keypad to withdraw your question*

To submit questions by webinar:

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

APPENDIX

Key Payment Calendar Dates

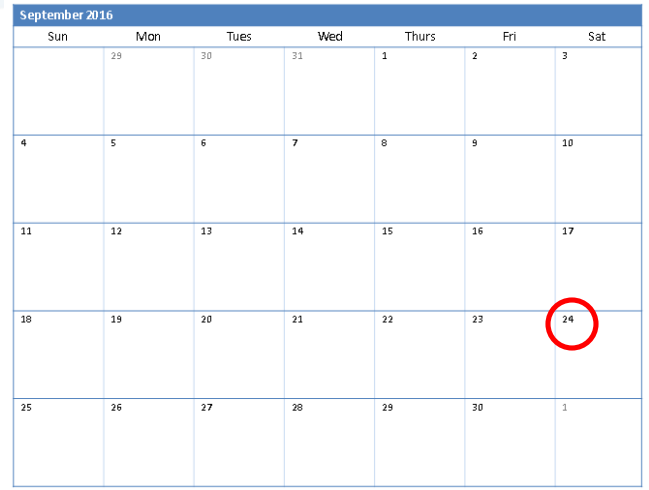
Key Dates

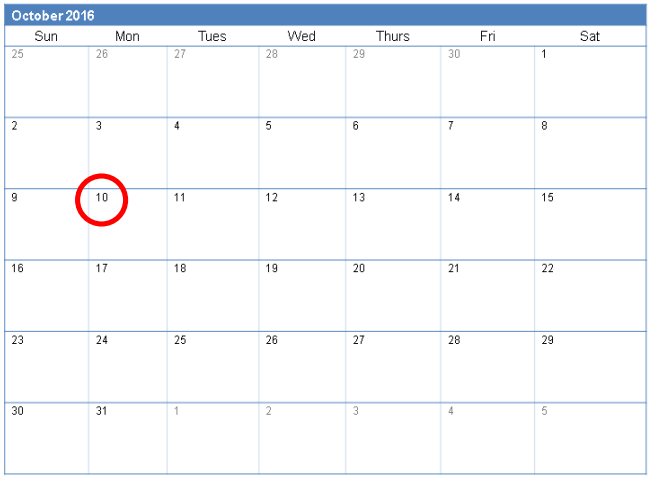
Key Payment Activities	November	December	January
SBM Issuer Workbooks Submission Window	Oct. 17th – 21st	Nov. 16th – 22nd	Dec. 16th – 21st
Vendor Management Module Open	Nov. 11th – 24th	Dec. 11th – 24th	Jan. 11th – 24th
Initial Invoice sent to Issuers	Nov. 10th	Dec. 13th	Jan. 9th
Preliminary Payment Reports sent to Issuers	Nov. 10th – 14th	Dec. 9th – 13th	Jan. 12th – 17th
Treasury issues payments to Issuers	Nov. 21st	Dec. 21st	Jan. 23rd
HIX 820 Payment transactions sent to Issuers	Nov. 30th	Dec. 30th	Jan. 31st

Resources

- Inbound 834 Process (CMS zOne Dedicated Page):
  - Production Overview, Technical Specifications, Reporting
  - For further assistance, please contact: Inbound834@bah.com
- Enrollment Reconciliation:
  - Educational Materials, Technical Specifications
    - https://zone.cms.gov/document/2016-enrollment-data-reconciliation
  - For further assistance, please contact: recon_issuer_support@bah.com
- Dispute submission:
  - Resources
    - Enrollment dispute form: https://zone.cms.gov/document/enrollment-resolution-and-reconciliation-dispute-form
    - Payment dispute form: https://zone.cms.gov/document/enrollment-resolution-and-reconciliation-dispute-form
    - Payment dispute Technical Reference Guide: https://zone.cms.gov/document/ppr-820-disputes-page
  - For further assistance, please contact the ER&R Support Center at errsupportcenter@cognosante.com or (855) 591-7113

Vendor Management Reminders





- Payee group information is used to direct program payments to your organization and provides the designated contact information in the event that CMS has a need to contact you. Maintaining your corporate billing address ensures that invoices will be delivered timely avoiding the accrual of interest and late fees.
- The Financial Management (FM) module is open from the 11th through the 24th of each month and closes on the 25th of each month through the 10th of the following month during the payment processing execution. All updates made to your payee group require internal approval from your organization prior to CMS having access to review and approve your record. To ensure that updates to your records are accepted and applied in the system, the updates need your approval two (2) business days prior to the 25th of the month.

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Vendor Management Reminders
(continued)

Records that are not approved or remain in an incomplete status, at the time of module closing, jeopardize ACA program payments for that cycle.

- If your edits include changes to your banking information, your financial institution is required to fax a Bank Verification Letter (BVL) directly to CMS at 301-492-4746 to allow CMS will approve these updates. In the interim, your record is in a state of limbo and payments will not be processed.
- You can reach the CMS Vendor Management Team at Vendor_Management@cms.hhs.gov.

Points of Contact

- CMS directs Issuers to contact the Federal Enrollment and Payment System (FEPS) Helpdesk with technical questions or issues. Issuers can contact the FEPS Helpdesk at the CMS_FEPS@cms.hhs.gov email address.
- CMS directs Issuers to contact the Marketplace Payments Team with questions related to the Manual Payment Process. Issuers can contact Marketplace Payments at the marketplacepayments@cms.hhs.gov email address.
- CMS directs Issuers to contact the Financial Management Coordination Center (FMCC) with questions regarding the PBP process. Issuers can contact the FMCC at the FMCC@cms.hhs.gov email address.
- CMS directs Issuers to contact the Enrollment Reconciliation and Resolution (ER&R) contractor with questions regarding the discrepancy reporting process, as well with dispute form submissions. Issuers can contact the ER&R contractor at the errsupportcenter@cognosante.com email address.

RA on Invoices, PPRs and HIX 820s

- Issuers with multiple RA payments or charges can distinguish between them by referring to the Invoice Number using the convention below.
- RA Invoice Number Example: I14VA160112345001
  - Digit 1: Program and Market Designator (I)
  - Digits 2-3: Program Year (14)
  - Digits 4-5: State Code (VA)
  - Digits 6-9: Year and Month (1601)
  - Digits 10-14: Issuer ID (12345)
  - Digits 15-17: Transaction Sequential Counter (001)

RA on Invoices, PPRs and HIX 820s
(continued)

- Program and Market Designator (Digit 1) Key:
  - Risk Adjustment Individual – I
  - Risk Adjustment Small Group – L
  - Risk Adjustment Catastrophic – T
  - Risk Adjustment Merged – M
  - Risk Adjustment Default Charge Individual – N
  - Risk Adjustment Default Charge Small Group – O
  - Risk Adjustment Default Charge Catastrophic – H
  - Risk Adjustment Default Charge Merged - B

PPR and HIX 820 File Issues

Please follow the escalation path below for issues with File Transfer Protocol (FTP) or locating the monthly Preliminary Payment Report (PPR) and HIX 820 payment files:

- **PPR**
  - Contact the FMCC
    - Email: FMCC@cms.hhs.gov
- **HIX 820**
  - Contact the CMS Help Desk and request a Remedy Ticket for the issue. The Help Desk will assign the ticket to the appropriate support team who will reach out to Issuers to resolve.
    - Email: CMS_FEPS@cms.hhs.gov

Additional Information

- Additional information related to the PBP transition is available in the Registration for Technical Assistance Portal (REGTAP) Library at the following links:
  - FM 2015 – 2016 Issuer Transition Guide, Version 4.4
  - PBP Temporary Adjustment Reconciliation Methodology
  - May 2, 2016 Payment Bulletin
  - PBP May Payment Back-out Example Workbook

Documents Available on REGTAP

- The ***Managed File Transfers (MFT) Thin Client Help Guide*** and ***Manual Payment and Enrollment Data Workbook User Guide*** are currently available in the REGTAP Library at the following links:
  - https://www.regtap.info/uploads/library/FT_MFTHelpGuide_081016_v1_5CR_081016.pdf
  - https://www.regtap.info/uploads/library/FT_AutoTemplateUserGuide_5CR_081016.pdf

Acronyms

Acronym	Definition
DSH	Data Services Hub
EDI	Electronic Data Interchange
EPS	Enrollment and Payment System
FFM	Federally-facilitated Marketplace
FMCC	Financial Management Coordination Center
HIOS	Health Insurance Oversight System
HIX	Health Insurance Exchange
PBP	Policy-based Payments
PPR	Preliminary Payment Report
PSV	Pipe-separated value
SBM	State-based Marketplace
SHOP	Small Business Health Options Program

Resources

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Financial Management Coordination Center

- The Financial Management Coordination Center (FMCC) help desk at fmcc@cms.hhs.gov assists Issuers with:
  - Questions or concerns regarding the Payment Dispute process;
  - Technical assistance; and
  - File submission.

Contacting FMCC



When contacting the FMCC, Issuers should include their five (5)-digit Health Insurance Oversight System (HIOS) ID and their seven (7)-character Payee ID, along with their request.

Technical Reference Guide

- The Payment Dispute Technical Reference Guide (TRG) provides guidelines for Issuers regarding how to submit Payment Disputes.
- Issuers can access the TRG at the following links:
  - https://www.regtap.info/uploads/library/FT_TRG_v1_5CR_101416.pdf
  - https://zone.cms.gov/document/ppr-820-disputes-page

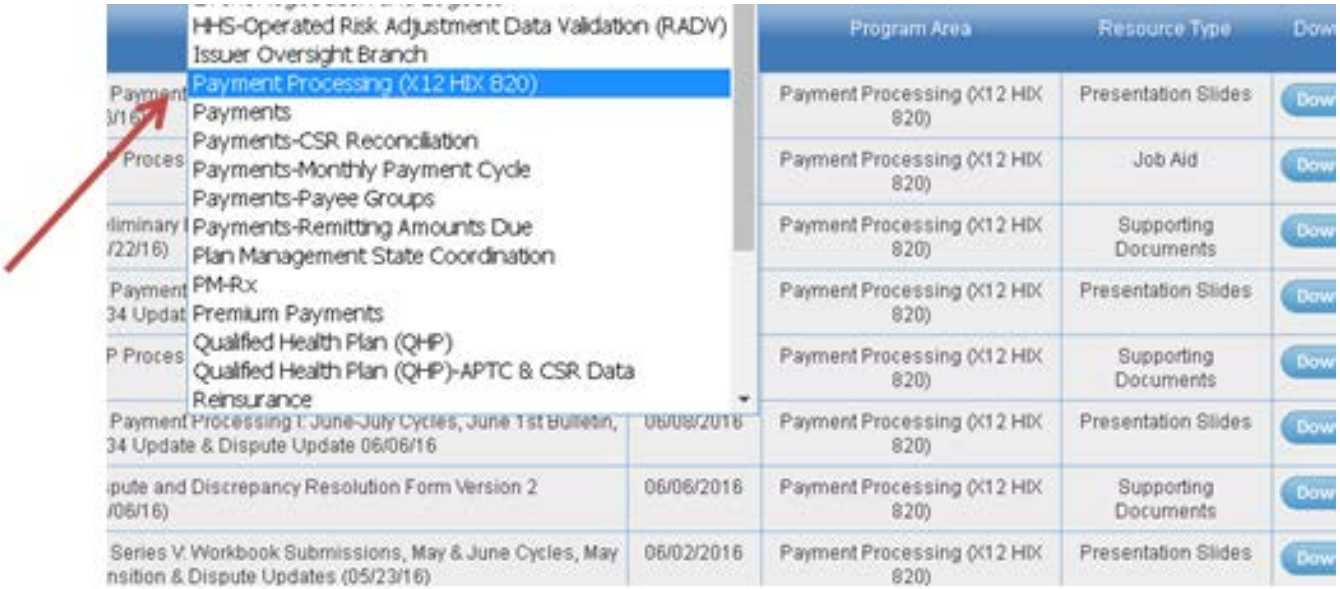
Resources

Resource	Resource Link
Centers for Medicare & Medicaid Services (CMS)	http://www.cms.gov/
U.S. Department of Health & Human Services (HHS)	http://www.hhs.gov/
The Center for Consumer Information & Insurance Oversight (CCIIO) web page	http://www.cms.gov/cciio
Consumer website on Health Reform	http://www.healthcare.gov/
ASC X12 Store	http://store.x12.org/store/health-insurance-exchanges
Registration for Technical Assistance Portal (REGTAP) - presentations, FAQs	https://www.REGTAP.info

Document Location

Additional Materials for FM Payment Processing I are available in the REGTAP Library at https://www.REGTAP.info

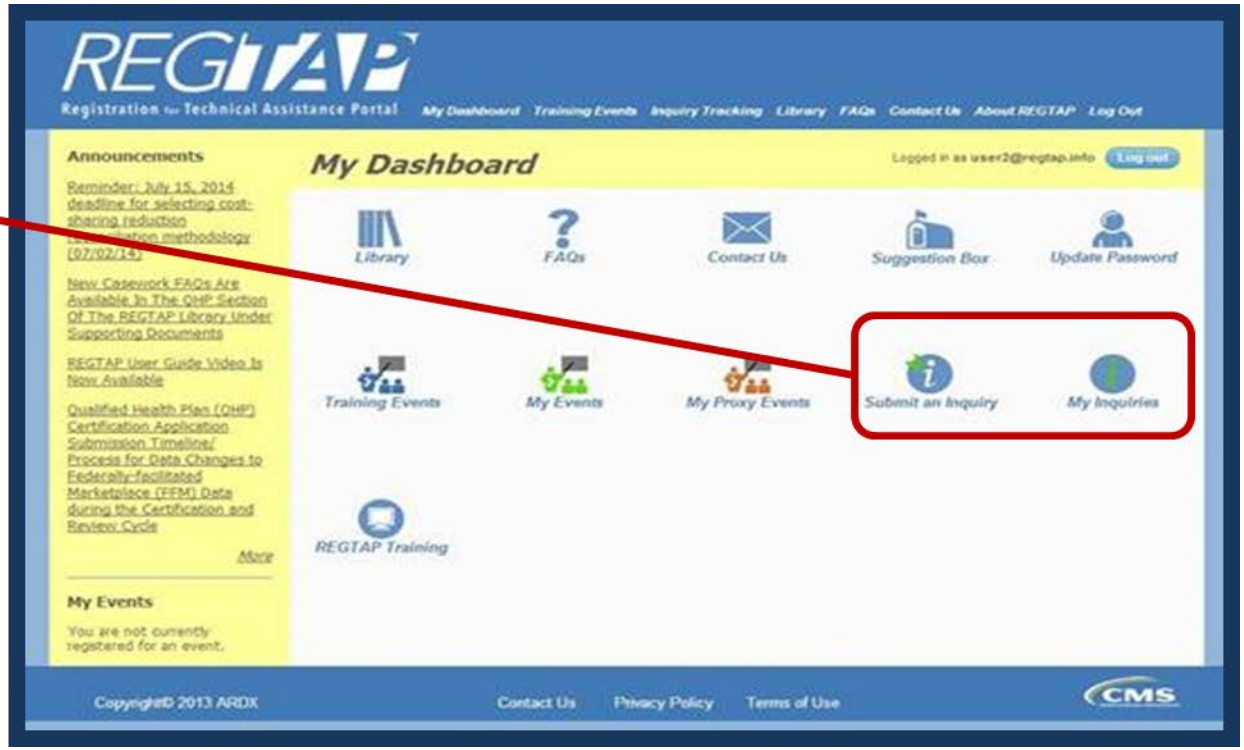
Under Program Area, select "Payment Processing (X12 HIX 820)"



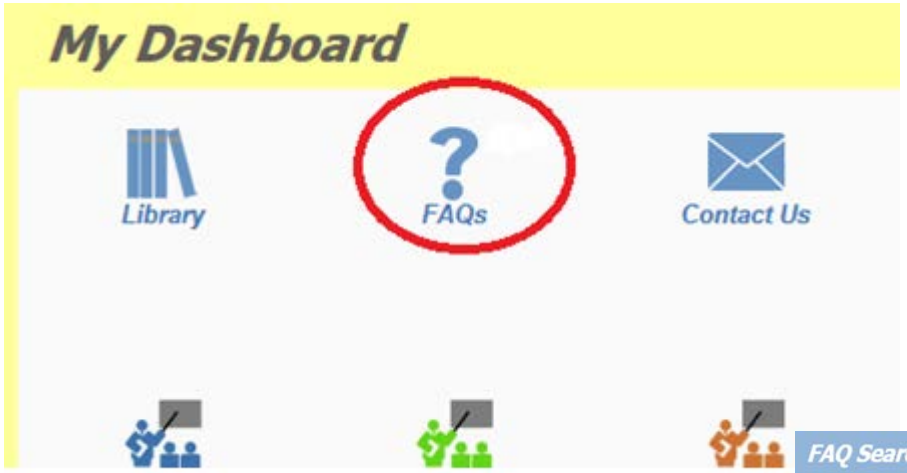
Inquiry Tracking and Management System (ITMS)

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

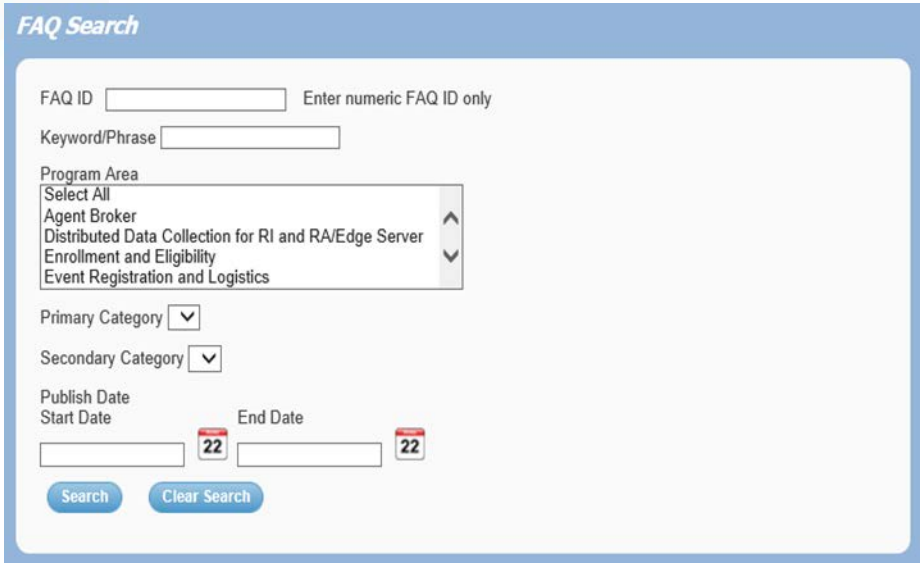
Select “Submit an Inquiry” from My Dashboard.



FAQ Database on REGTAP



The FAQ Database allows users to search FAQs by FAQ ID, Keyword/Phrase, Program Area, Primary and Secondary Categories, Benefit Year, Retired and Current FAQs and Publish Date.



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

Closing Remarks