Financial Management Series IV: Discrepancy Reporting and April Manual Adjustments

March 14, 2016

Financial Management Series IV

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

HTTPS://WWW.REGTAP.INFO

Agenda

- Session Guidelines
- Payment Disputes
- April Manual Adjustments
- Frequently Asked Questions (FAQs)
- Question and Answer (Q&A)
- Resources
- Closing Remarks

Session Guidelines

- This is a 90-minute webinar session.
- Documented Q&As will be posted in the coming weeks.
- For questions regarding logistics and registration, contact the Registrar at: (800) 257-9520.

FM Series IV

- The Centers for Medicare & Medicaid Services (CMS) will continue to roll out trainings in 2016.
- Series IV will continue to provide information related to testing, timelines, HIX 820 scenarios, and any additional guidance related to the 2016 transition through the end of May.
- As part of this series, CMS will conduct content webinars each Monday from 2:00 to 3:30 p.m. ET.

FM Series IV Dates: March and April 2016

Day of Session	Date of Session	Time	Session Title
Monday	March 7, 2016	2:00 – 3:30 p.m. ET	Webinar
Monday	March 14, 2016	2:00 – 3:30 p.m. ET	Webinar
Monday	March 21, 2016	2:00 – 3:30 p.m. ET	Webinar
Monday	March 28, 2016	2:00 – 3:30 p.m. ET	Webinar
Monday	April 4, 2016	2:00 – 3:30 p.m. ET	Webinar
Monday	April 11, 2016	2:00 – 3:30 p.m. ET	Webinar
Monday	April 18, 2016	2:00 – 3:30 p.m. ET	Webinar
Monday	April 25, 2016	2:00 – 3:30 p.m. ET	Webinar

Points of Contact

- CMS directs Issuers to contact the 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 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 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.

Contacting FMCC



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

Participant Questions

- CMS is soliciting questions to include in upcoming FM Series IV webinar sessions.
- Beginning with the March 21, 2016 webinar session, Issuers can submit inquiries they wish to be featured during FM Series IV Webinar sessions through REGTAP at https://www.REGTAP.info.
- Issuers should follow the steps below:
  - Log into REGTAP.
  - Access the “Submit an Inquiry” feature on the REGTAP dashboard.
  - Enter one (1) question per submission.
- **CMS will select questions from these submission to be featured during FM Series IV Webinars**.

Participant Questions (Continued)

- Issuers must submit inquiries by **3:00 p.m. ET on Fridays** in order to be considered for the upcoming FM Series IV webinar.
  - The deadline for the first submission is **March 18, 2016 at 3:00 p.m. ET.**
- CMS will answer selected Issuer-submitted questions during that upcoming FM Series IV Webinar session.

Additional Information

- Additional information related to the Policy-based Payments (PBP) transition is available in the REGTAP Library at the following links:
  - Financial Management 2015 to 2016 Issuer Transition Guide Version 4.0
  - Manual and PBP Temporary Payment Adjustment Reconciliation Methodology

Dispute and Discrepancy Resolution Form



The latest version of the Dispute and Discrepancy Resolution Form is available on REGTAP at the following link:
https://www.regtap.info/uploads/library/FT_PPR820__Dispute_Form_5CR_030416.xlsx

Payment Dispute Updates

Payment Dispute Updates

- Relaxed Edits on Payment Dispute Form
- Disposition and Error Codes
- Re-importing Disputes Received to Date
- Response File Details
- Common Errors
- Coming Soon

Payment Dispute Updates

Relaxed Edits

- Relaxed edits on Payment Dispute Form
  - o Issuers sourced fields that meet usage requirements and min/max lengths
    - File Control Number (Issuer)
    - Point of Contact Name
    - Point of Contact Telephone Number
    - Point of Contact Email Address
    - Issuer Assigned Dispute Control Number
    - Comments (expanded length can be exceeded, but with Error noted)

Payment Dispute Updates

Relaxed Edits

- Relaxed edits on Payment Dispute Form
  - o Issuers may submit disputes discretely
    (e.g., one dispute for APTC Amount, one for Total Premium Amount, one for CSR Amount)
    - Not all dollar values need to be supplied
    - We will process the first one and consider all amounts when working the case; but Issuers will receive duplicate/merge notifications for the additional payment type submissions

Payment Dispute Updates

Disposition and Error Codes

- Disposition and Error Codes
  - This list has been posted on REGTAP at: Payment Dispute and Disposition Error Codes (v1) (03/14/16)
  - This list has been posted to zONE at: https://zone.cms.gov/system/files/documents/Payment%20Dispute%20Disposition%20and%20Error%20Code%20List%20-%2020160311%20v1%200.pdf
  - o Disposition Code describes the status or result of the dispute
  - o Error Code identifies specific nonconformance with form instructions or business rules

Payment Dispute Updates

Disposition and Error Codes

- Disposition Codes – Rejected / Returned

Disposition Code	Disposition Code Details
R1	Record/File Does Not Meet Format Requirements
R2	Record Does Not Meet Dispute Requirements
R3	FFM Fields on Dispute Form Do Not Match with PPR/820
R4	Duplicate Dispute Record of In Process Case
R5	Dispute Merged with Other Case for this Policy
R6	Dispute Not Supported by RCNI
R7	Suppressed Issuer
R8	Multiple Disputes for Same Policy and Field with Conflicting Information

Payment Dispute Updates (continued)

Disposition and Error Codes

- Disposition Codes – Completed / Closed

C1	Reviewed, Denied
C2	Timing issue - Update planned for next cycle
C3	Timing issue - Update planned for later cycle
C4	Dispute processed, update planned within 2 cycles

- Disposition Codes – In Process / In Analysis

I1	In Process
I2	In Process
I6	In Process

All three of these codes indicate that additional research is occurring. The different codes are for internal routing.

Payment Dispute Updates (Continued)

Disposition and Error Codes

- Error Codes (excerpts)

Error Code	Error Code Description	Disposition Code
F12SR2	Policy Total Premium Amount (FFM) - The Policy Total Premium Amount (FFM) field has a Min/Max length of 0-15 characters. The Issuer must check the field length, make the necessary corrections, and resubmit the dispute to the ERR Contractor.	R1
FV801	We received another dispute for this policy within this submission. This dispute will be merged with the first payment dispute record received for this Policy ID.	R5
PD501	The APTC Amount (Issuer) reported in the Payment Dispute did not match the current RCNI file. The Issuer will need to review the current RCNI file and make the necessary corrections in the next RCNI file. For assistance in resolving this Payment Dispute record, please contact the FMCC help desk at fmcc@cms.hhs.gov.	R6
PD602	The current RCNO file reflects the CSR amount will be updated in the FFM, and should be reflected in the Issuer's payment within 1-2 payment cycles. The Issuer will need to resubmit the Payment Dispute if the issue is not resolved after 2 PPR cycles.	C3
PD509	The Payment Dispute contains a HICS Case that is being investigated further by the ERR Contractor. The Issuer will need to refer to the Bi-Monthly Payment Dispute report to see if there has been a change in status since the initial response from the ERR Contractor.	I1

Payment Dispute Updates

Re-importing

- Re-importing all disputes sent thus far
- Significant changes since launch
  - o Relaxed compliance requirements
  - o New/refined disposition codes
- Best method to appropriately apply these new dispositions and address the greatest number of disputes is to re-import
- Will occur this week

Payment Dispute Updates

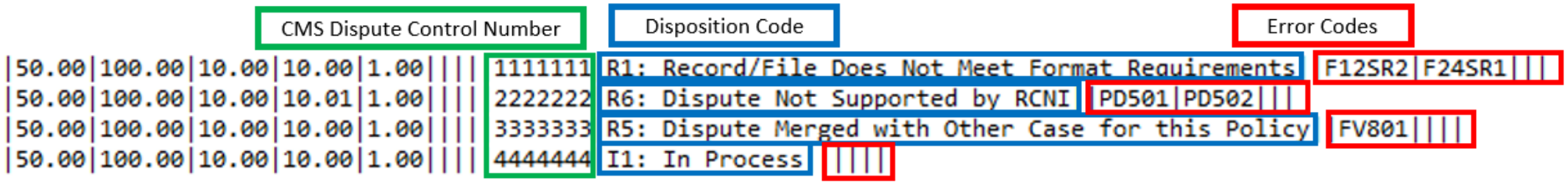
Response File Details

- Response files generated for dispute submissions that pass validation and are ingestible within a business day or two (but often in much less time)
- PSV file routed to the same Inbound folder/directory that Issuers currently use but with the following file naming convention:
  - TPID.ERRS.DYYMMDD.THHMMSSmmm.P.OUT
- Please contact the ER&R Support Center if you have any questions about locating your file. They can be reached at: errsupportcenter@cognosante.com
  or by phone at (855) 591-7113

Payment Dispute Updates (continued)

Response File Details

Disposition and Error Codes are appended to the end of each detail record from the issuer's dispute form submission



Payment Dispute Updates

Common Errors

- For successful processing, a payment dispute must:
  - o Have correct syntax
  - o Look like a logical, complete dispute
  - o Correctly reflect PPR data
  - o Correctly reflect RCNO/RCNI data
  - o Not be a duplicate, and not be ambiguous

Payment Dispute Updates (continued)

Common Errors

- Common Errors

Error Code	Error Code Descriptions
FV801	We received another dispute for this policy within this submission. This dispute will be merged with the first payment dispute record received for this Policy ID.
PD501	The APTC Amount (Issuer) reported in the Payment Dispute did not match the current RCNI file. The Issuer will need to review the current RCNI file and make the necessary corrections in the next RCNI file. For assistance in resolving this Payment Dispute record, please contact the FMCC help desk at fmcc@cms.hhs.gov.
PD502	The CSR Amount (Issuer) reported in the Payment Dispute did not match the current RCNI file. The Issuer will need to review the current RCNI file and make the necessary corrections in the next RCNI file. For assistance in resolving this Payment Dispute record, please contact the FMCC help desk at fmcc@cms.hhs.gov.

Payment Dispute Updates (continued)

Common Errors

- Common Errors

Error Code	Error Code Description
F23SR2	(Informational) Comments - The Comments field has a Min/Max length of 1-255 characters. The Issuer should constrain comments to the maximum field length. Any content beyond the maximum field length is omitted and not considered by the ERR Contractor.
PD3	This payment dispute will be investigated further. The Issuer will need to refer to the Bi-Monthly Payment Dispute report to see if there has been a change in status since the initial response from the ERR Contractor.
FV4	The Issuer provided Issuer financial values (Total Premium Amount, APTC Amount, CSR Amount, and/or a UF Amount), but the issuer didn't provide the Issuer Coverage Dates as required. The Issuer will need to correct the Payment Dispute form by adding the Issuer Coverage Dates as found on the PPR/820 and resubmit the dispute to the ERR Contractor.

Payment Dispute Updates

Coming Soon

- Coming Soon
  - Updated Payment Dispute Form to include:
    - Macro embedded to facilitate the creation of a PSV file for dispute form submission
    - Tab with Disposition Codes/Error Codes included for easy reference

Manual Adjustments for April

Non-Transitioned Issuers to PBP



Issuers who are were not transitioned in January 2016, will be transitioned to PBP for the April 2016 Payment Cycle.

April Payment Cycle Summary

- Beginning with the April 2016 Payment Cycle:
  - All remaining issuers not yet transitioned to PBP in January 2016 will be transitioned to PBP for the April 2016 Payment Cycle.
  - All issuers will be paid in full for each month of 2016 based on their system-calculated PBP amount.
  - Issuers will see adjustments for January, February and March in April 2016 after transitioning to PBP to true-up their payments for those months to PBP system calculations.

April Payment Cycle Summary

(Continued)

- After the April adjustment:
  - Issuers will be paid their calculated PBP except in cases of extreme variation (>25%) from the manual payment amount.
  - CMS will apply a manual payment adjustment to the Issuer's calculated PBP so that the difference between the manual payment process amount (capped at upper bound) and PBP amount is no greater than 25%.
  - The 25% cap on variation will extend through the June payment cycle.
  - To allow this calculation, Issuers should continue to submit manual Workbooks for 2015 and 2016 until notified otherwise by CMS.

April Payment Cycle: Reversing Adjustments

- For Issuers transitioned to PBP prior to April, all January through March adjustments will be reversed in the April payment cycle.
- For issuers transitioning in April, all Manual Payment Process amounts for January through March will be reversed in the April payment cycle.
- See Excel worksheet for example of reversing adjustments.

April Payment Cycle: 25% Cap on Variation

- In April, CMS will cap variation in payment from the manual process-submitted amount at 25%.
- This calculation will be based on total Year-to-Date (YTD) payments for the manual process and for PBP.
- The manual process amount will be capped at Upper Bound for purposes of this calculation.
- The 25% cap will apply only to ATPC and CSR; CMS will not adjust User Fees from PBP.

April Payment Cycle: 25% Cap on Variation

- This calculation will be based on total YTD payments for the manual process and for PBP
- The 25% cap will apply only to APTC and CSR; CMS will not adjust User Fees from PBP

April Payment Cycle: 25% Cap on Variation Examples

Examples: Year to Date APTC Payments:

Scenario	PBP Amount (YTD)	Manual Workbook Amount (YTD)	Upper bound Validation (YTD)	Capped Manual Workbook Amount (YTD)	75% of Capped Manual Workbook Amount	PBP Amount < 75% of Capped Manual Workbook Amount	Adjustment applied to April Payment	Total Amount Paid YTD
1	$80.00	$100.00	$110.00	$100.00	$75.00	No	$0.00	$80.00
2	$70.00	$100.00	$110.00	$100.00	$75.00	Yes	$5.00	$75.00
3	$40.00	$110.00	$100.00	$100.00	$75.00	Yes	$35.00	$75.00
4	$60.00	$50.00	$80.00	$50.00	$37.50	No	$0.00	$60.00

- All prior month adjustments will be backed out as described in the previous slides before making any adjustments for >25% variation.
- The same calculation will apply to CSR payments.
- CMS will not adjust User Fees.

March Individual Market Recon and Payment Calendar

March 2016

Sun	Mon	Tues	Wed	Thurs	Fri	Sat
February 28	February 29	1	2	3	4 Data Matching Outreach File[1] FFM Updated 2015	5
6	7 2015 Pre-Audit Extract (6 PM ET)	8 FFM Updated 2016	9	10 2015 Recon Inbound Due 3pm	11	12
13	14	15 Delivery to Issuers: • 2015 Pre-Audit File • 2015 Orphan Finder MISC File • 2015 Collapsed CIC Matching File • 2015 Recon Outbound 2016 Pre-Audit Extract (6 PM ET) March 2016 Preliminary Payment Reports Sent to Payees: Payees may begin Payment Discrepancy Reporting[1] Payees who are Net Negative receive March Dunning Letter[1]	16	17	18 April 2016 Manual Process Workbooks Due 5 PM ET	19
20	21 Delivery to Issuers: • 2016 Pre-Audit File • 2016 Orphan Finder MISC File • 2016 Collapsed CIC Matching File	22	23 Payees receive March Payments[1]	24 FFM Updated 2015 2016 Recon Inbound Due 3pm	25	26
27 *Note: Data Matching Outreach File delivery dates are approximate	28	29 Delivery to Issuers: • 2016 Recon Outbound Payees receive March HIX 820[1]	30	31		

April Individual Market Recon and Payment Calendar

April 2016

Sun	Mon	Tues	Wed	Thurs	Fri	Sat
March 27	March 28	March 29	March 30	March 31	1	2
3	4 **Data Matching Outreach File[1]** **2015 Pre-Audit Extract (6 PM ET)**	5	6	7	8	9
10	11	12 **Delivery to Issuers:** • LAST 2015 Pre-Audit File • 2015 Orphan Finder MISC File • 2015 Collapsed CIC Matching File **Payees who are Net Negative receive April Dunning Letter[1]**	13	14	15 **FFM Updated 2016** **2016 Pre-Audit and April Payment Extract (6 PM ET)**	16
17	18 **April 2016 Preliminary Payment Reports sent to Payees:** **Payees may begin Payment Discrepancy Reporting[1]**	19 **May 2016 Manual Process Workbooks Due 12 PM ET**	20 **Delivery to Issuers:** • 2016 Pre-Audit File • 2016 Orphan Finder File • 2016 Collapsed CIC Matching File	21 **2016 Recon Inbound Due 3pm** **Payees receive April Payments[1]**	22	23
24 ***Note: Data Matching Outreach File delivery dates are approximate**	25	26 **Delivery to Issuers:** • 2016 Recon Outbound	27	28	29 **Payees receive April HIX 820[1]**	30

FAQs

FAQ 1

Question: What do the qualifiers ‘ADM’, ‘INT’ and ‘PEN’ reference on the HIX 820 Transaction?

Answer: On the HIX 820 Transaction, ‘ADM’ stands for administrative charges and ‘INT’ stands for interest charges and ‘PEN’ stands for penalties.

FAQ 2

Question: Will Issuers continue to submit Enrollment & Payment Data Workbooks for enrollment and payment data after April 2016?

Answer: Yes, in addition to submitting any 2015 restatements in Manual Workbooks, all Issuers should continue submitting 2016 Manual Workbooks in April and future months. CMS will notify Issuers when 2016 Manual Workbooks submissions are no longer required. For questions concerning the Manual Payment Process and Enrollment and Payment Data Workbook submission please contact MarketPlacePayments@cms.hhs.gov.

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*

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
SBM	State-based Marketplace
SHOP	Small Business Health Options Program

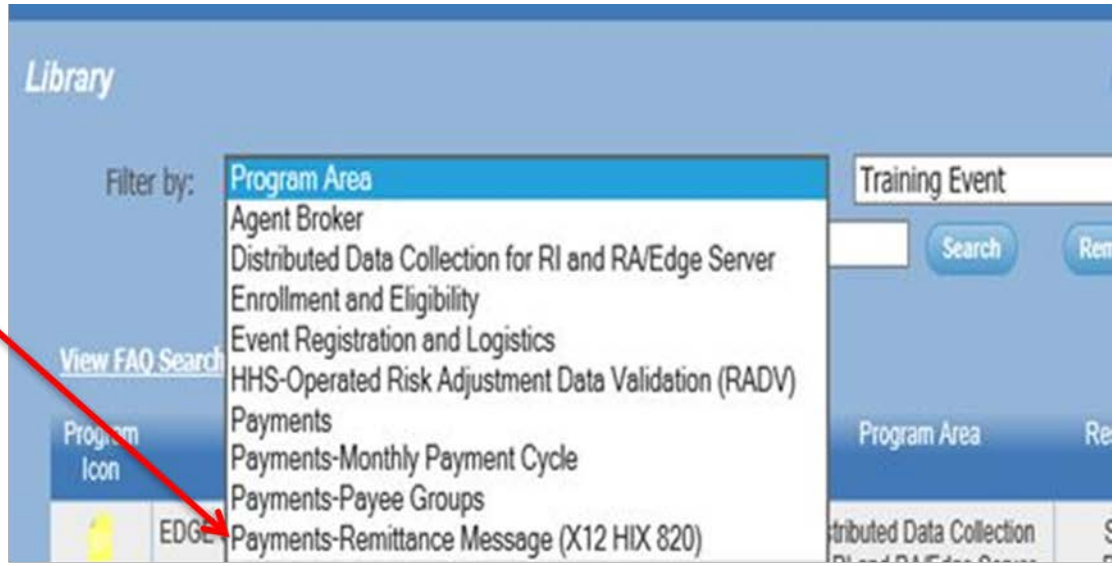
Resources

Resource	Resource Link
Centers for Medicare & Medicaid Services (CMS)	http://www.cms.gov/
U.S. Department of Health & Human Services	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 Series IV are available in the REGTAP Library at https://www.REGTAP.info

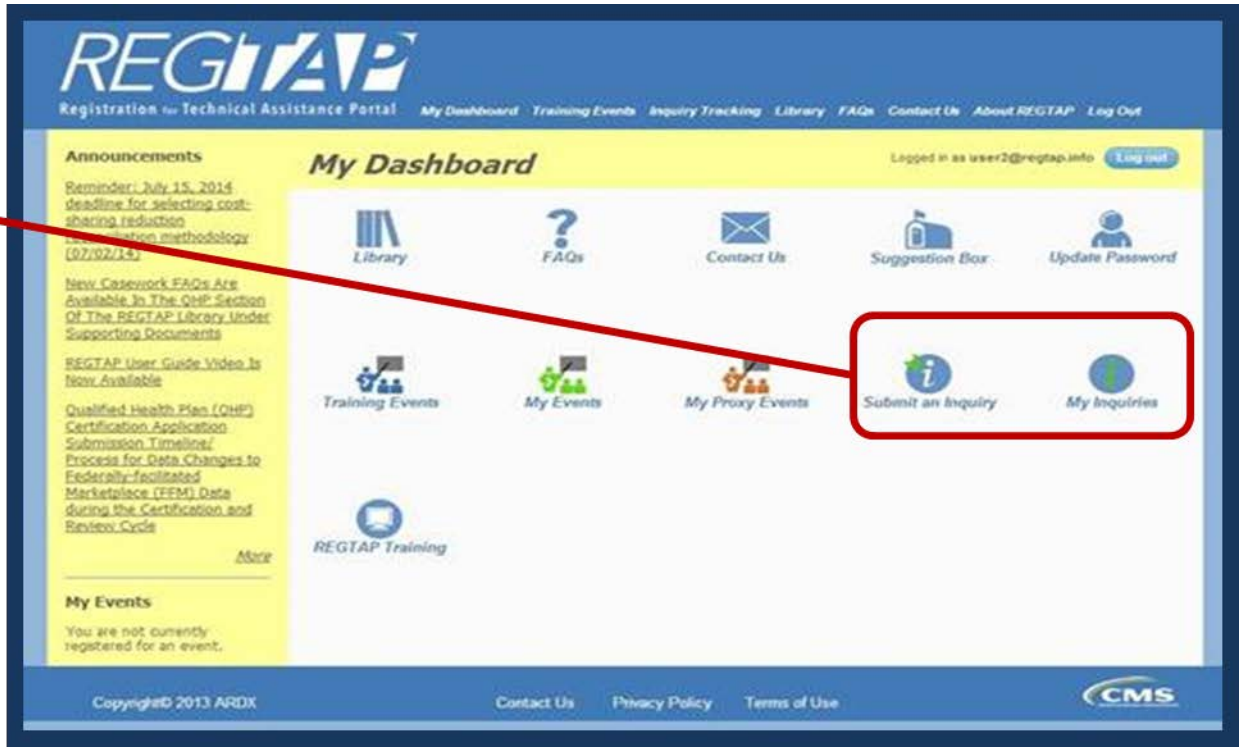
Under Program Area, select "Payments – Remittance Message (X12 HIX 820)"



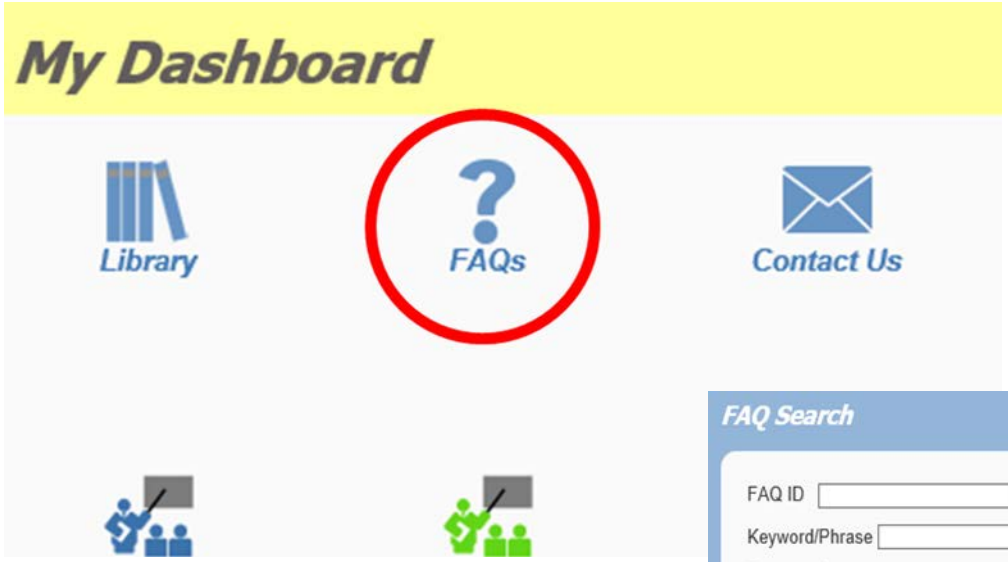
Inquiry Tracking and Management System (ITMS)

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

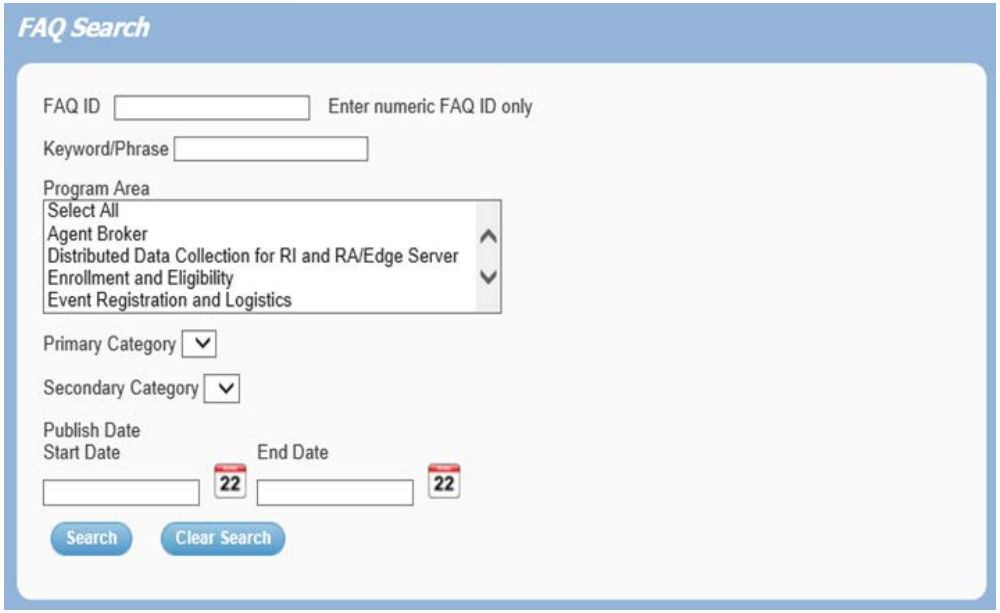
Select “Submit an Inquiry” from My Dashboard.



FAQ Database on REGTAP



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



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

Closing Remarks