

FM Series V:

May and June Payment Cycles, May Payment Adjustments and Examples

May 2, 2016



Financial Management Series V

Agenda

- Session Guidelines
- Announcements
- Manual 834 (M834) Updates
- May and June Payment Cycles
- May Payment Adjustments
- May Payment Adjustment Examples
- Resources
- Closing Remarks

Session Guidelines

- This is a 90-minute content 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 V

- FM Series V will provide information related the 2016 transition to Policy-based Payments (PBP) and the Dispute Reporting Process, in addition to providing technical guidance related to the PBP payment process.
- As part of this series, CMS will conduct content webinars each Monday from 2:00 p.m. to 3:30 p.m. ET.

FM Series V Dates: May 2016

Day of Session	Date of Session	Time	Session Type
Monday	May 2, 2016	2:00 – 3:30 p.m. ET	Webinar
Monday	May 9, 2016	2:00 – 3:30 p.m. ET	Webinar
Monday	May 16, 2016	2:00 – 3:30 p.m. ET	Webinar
Monday	May 23, 2016	2:00 – 3:30 p.m. ET	Webinar
Monday	May 30, 2016	CANCELLED	HOLIDAY

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 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.

PPR and HIX 820 File Issues

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

- **Preliminary Payment Report (PPR)**
 - o Contact the FMCC
 - Email: FMCC@cms.hhs.gov
- **HIX 820**
 - o 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

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.

Additional Information

- Additional information related to the PBP transition is available in the REGTAP Library at the following links:
 - o https://www.regtap.info/uploads/library/FT_HI_X820_Issuer_Transition_Guide_V4_4_5CR_032416.docx
 - o https://www.regtap.info/uploads/library/FT_MP_P_PBP_TempAdjustRecon_121815_v1_5CR_122115.pdf

Dispute Resolution Form



The latest version of the Dispute Resolution Form is available on REGTAP at the following link:

https://www.regtap.info/uploads/library/FT_PP_R820_Dispute_Form_5CR_030416.xlsx

Announcements

Enrollment & Payment Data Workbook Update

In preparation for calculating CSR reconciliation amounts in July, 2016, **CMS will no longer make adjustments to advance payments for CSR for 2014 or 2015 beginning in the May 2016 payment cycle.**

Enrollment & Payment Data Workbook 2015 Restatements



**July 2016 will be the FINAL month
in which Issuers can restate
enrollment and payment data for the
2015 Benefit Year.**

Maintenance 834 Launch

Maintenance 834 Launch

- **The Basics:** CMS is planning on launching the new “Maintenance 834” (M834) functionality between summer and OE2017.
 - o M834s will allow for most changes to a policy to be reported by enrollees to maintain the same Exchange-assigned Policy ID.
 - o Note that certain changes will still trigger a termination and creation of a new policy (e.g. new coverage year, new application ID, change in Subscriber, etc.)

Issuer M834 Readiness

- **Maintenance 834 readiness is critical to Policy-based Payment (PBP) payment accuracy.**
- To update enrollment information and process payment with the FFM after M834 is launched, issuers will need to be able to:
 - o Receive/process and create/send initial and effectuation M834 transactions.
 - o Receive/process and create/send updated RECON files.
 - o Receive/process updated Preliminary Payment Report (PPR) and HIX 820
- System readiness for M834 will allow Issuers to keep enrollment data aligned with the FFM, supporting correct payment and correct 1095-As for consumers.

Steps to M834 Readiness

- **Timing**: Since March 22nd, education has been rolled out to Issuers via the bi-weekly Tuesday 3:00 p.m. ET “CMS-Issuer Technical Work Group”.
 - o Issuers are being prepped via webinar & live Q&A to be ready to test by summer.
 - o Summer sessions will roll-out Issuer testing of M834s.
 - o Pending system readiness and Issuer testing, goal is to launch in Production before all-Issuer end-to-end Open Enrollment testing begins in September.

Steps to M834 Readiness

(Continued)

- **Issuers Need to:** Review the M834 documentation posted at CMS zONE:
 - o Version 1 of the Implementation 834 Guide:
<https://zone.cms.gov/document/federally-facilitated-marketplace-maintenance-834-operations-manual>
 - o Pre-Draft Version 2.0 of 834 Companion Guide at:
<https://zone.cms.gov/document/asc-x12-005010-834-companion-guide>
 - o Be ready to connect to and test in the new “IMPL2” testing environment in June.
 - o Issuers with questions on how to ensure their systems are ready should be attending the Tuesday workgroup and engaging in Q&A.

May and June Payment Cycles

May 2016

Sun	Mon	Tues	Wed	Thurs	Fri	Sat
1	2	3	4 Data Matching Outreach File*	5	6	7
8	9	10	11	12	13	14
					May 2016 Preliminary Payment Reports sent to Payees.	
				Payees who are Net Negative receive May Dunning Letter ¹		
15	16	17	18	2016 Recon Inbound Due 3pm	20	21
FFM Updated 2016	May 2016 Manual Process Workbooks(First submission window). Due 12 p.m. ET			Delivery to Issuers: • 2016 Pre-Audit File • 2016 Orphan Finder MISC File • 2016 Collapsed CIC Matching File	Payees receive May Payments ¹	
2016 Pre-Audit Extract (6:00 pm ET)						
May 2016 Preliminary Payment Reports sent to Payees			May 2016 Manual Process Workbooks (Resubmission window). Due 12:00 p.m. ET			
22	23	24	25	26	27	28
May 2016 Manual Process Workbooks (Resubmission window). Due 12:00 p.m. ET		Delivery to Issuers: • 2016 Recon Outbound				
29	30 Memorial Day	31	June 1	2	3	4
*Note: Data Matching Outreach File delivery dates are approximate		Payees receive May HIX 820				

June 2016

Sun	Mon	Tues	Wed	Thurs	Fri	Sat
29	30	31	1	2	3	4
5	6 <i>Data Matching Outreach File*</i>	7	8	9	10 Payees who are Net Negative receive June Dunning Letter ¹	11
12	13	14	FFM Updated 2016 2016 Pre-Audit Extract (6:00 pm ET)	16 July 2016 Manual Process Workbooks(First submission window). Due 12 p.m. ET	17	18
19	June 2016 Preliminary Payment Reports sent to Payees.			23	24	25
July 2016 Manual Process Workbooks (First submission window). Due 12 p.m. ET	Delivery to Issuers: • 2016 Pre-Audit File • 2016 Orphan Finder MISC File • 2016 Collapsed CIC Matching File July 2016 Workbook submission Due 12 p.m.	21 July 2016 Manual Process Workbooks (Resubmission window). Due 12 p.m. ET	22 Payees receive June Payments ¹	2016 Recon Inbound Due 3pm		
26	27	28 Delivery to Issuers: • 2016 Recon Outbound	29	30 Payees receive June HIX 820		

**Note: Data Matching Outreach File delivery dates are approximate*

May PBP Transition

New May Transition Guidance

- On May 2, 2016 CMS published **new Policy-Based Payments Guidance** revising the bulletins published on December 4, 2015 and March 22, 2016 in the REGTAP Library at the following link:
 - o https://www.regtap.info/uploads/library/FT_PaymentBulletin_5CR_050216.pdf
- As noted previously, CMS is ending adjustments to Manual Workbooks in May.
- CMS will smooth the reversal of past adjustments over 2 months for Issuers with positive payments whose submitted Workbooks exceed PBP.
- Guidance is available on the CCIIO webpage at:
 - o https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/Policy-Based-PaymentBulletin_050216.pdf

New May Transition Guidance (Continued)

- As noted in previous guidance, **All past manual adjustments will be reversed in May**, including past adjustments from PBP to Manual Workbook amounts and upper bound adjustments.
 - This may result in a net-positive or net-negative adjustment to an Issuer's May payment.
- No additional May adjustments to PBP will be made for Issuers if:
 - May year-to-date (YTD) PBP exceeds the May restated Manual Workbook.
 - The Issuer has <\$1000 payment YTD.

New May Transition Guidance (Continued)

- **May Smoothing Adjustments:** For Issuers with year-to-date (YTD) Manual Workbook restatements (capped at Upper Bound) exceeding year-to-date YTD PBP for May:
 - o CMS will reverse all past adjustments as noted in previous guidance.
 - o CMS will smooth the final transition to policy-based payments over two (2) months by giving a one-time May adjustment of 50% of remaining YTD variation between the Manual Workbook amount (capped at Upper Bound) and YTD PBP.
 - o If necessary, CMS will adjust May payment so that YTD payment as of May is no less than 90% of the Manual Workbook amount (capped at Upper Bound) .
 - o These adjustments will be reversed in the June payment cycle.

After May Adjustments

- After the May adjustment:
 - o CMS will pay Issuers the calculated PBP, except in cases of extreme variation (>25%) from the manual payment amount.
 - o CMS will apply a manual payment adjustment to Issuers' calculated PBP so that the Issuer does not receive less than 75% of the manual payment process amount (capped at upper bound).
 - o This cap on variation will extend through the July payment cycle.
 - o To allow this calculation, Issuers should continue to submit Manual Workbooks for 2015 and 2016 until notified otherwise by CMS.

Expected Adjustments in May

- Issuers received their April PPRs on April 14th.
- Issuers can now calculate their expected May reversals by summing all 2016 APTCMADJ, CSRMADJ, and UFMADJ payments from January through April PPRs, including:
 - o Adjustments to manual payment amounts
 - o Upper bound adjustments
 - o Any other adjustments made due to unusual circumstances

May Payment Examples

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
PSV	Pipe-separated value
SBM	State-based Marketplace
SHOP	Small Business Health Options Program

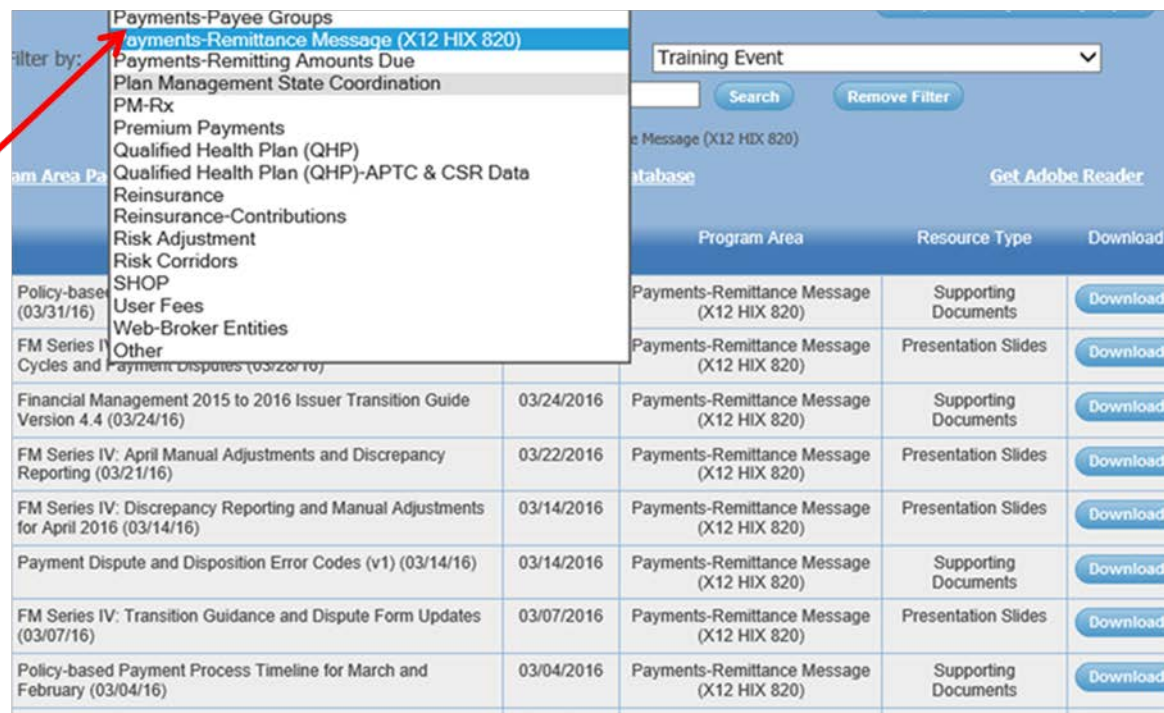
Resources

Resource	Resource Link
Centers for Medicare & Medicaid Services (CMS)	http://www.cms.gov/
U.S. Department of Health & Human Services (HHS)	http://www.hhs.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/
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)”

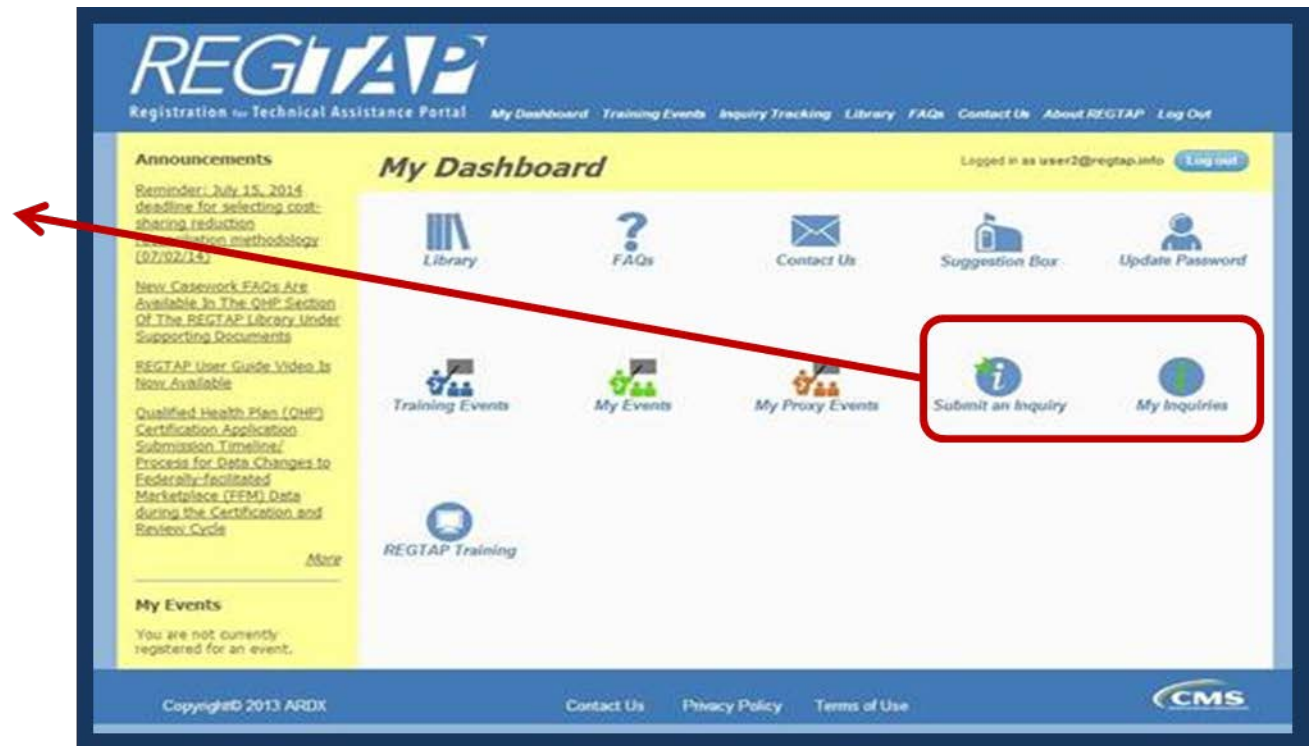


Filter by:	Payments-Payee Groups	Training Event		
	Payments-Remittance Message (X12 HIX 820)	Search	Remove Filter	
	Payments-Remitting Amounts Due			
	Plan Management State Coordination			
	PM-Rx			
	Premium Payments			
	Qualified Health Plan (QHP)			
	Qualified Health Plan (QHP)-APTC & CSR Data			
	Reinsurance			
	Reinsurance-Contributions			
	Risk Adjustment			
	Risk Corridors			
	SHOP			
	User Fees			
	Web-Broker Entities			
	Other			
	Payment Disputes (03/20/16)			
Program Area	Resource Type	Download		
Payments-Remittance Message (X12 HIX 820)	Supporting Documents	Download		
Payments-Remittance Message (X12 HIX 820)	Presentation Slides	Download		
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Payments-Remittance Message (X12 HIX 820)	Supporting Documents	Download		
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Payments-Remittance Message (X12 HIX 820)	Supporting Documents	Download		

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

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

End Date

Search

Clear Search

Closing Remarks