FM Payment Processing II: Invoice Overview, PBP Temporary Manual Adjustment and Payment Dispute Updates

February 6, 2017

FM Payment Processing II

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

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Agenda

- Early 2016 Termination/2017 Cancellation Issue
- Temporary Manual Adjustment for Policy-based Payments (PBP)
- State Based Marketplace (SBM) – Federal Platform User Fee reminder
- Cost-sharing Reduction portion of advance payments refresher
- HIOS updates
- Payment dispute updates

Early 2016 Termination 2017 Cancellation Issue

Early 2016 Termination/2017 Cancel Issue

As noted previously, CMS has identified that the reconciliation process resulted in erroneous termination of 2016 coverage for some enrollment groups

- The November reconciliation process caused some enrollment records to be updated with an early termination of 2016 coverage and cancellation of the corresponding 2017 passive (BAR) enrollment.
- Issuers should have received an IPA file on January 23rd indicating affected enrollment groups.

CMS has estimated the impact of these early terminations on your organization's January payments and will be **making temporary manual adjustments in the February payment cycle** to correct the payment impact of these early terminations as soon as possible

- Adjustments will show as APTCMADJ, CSRMADJ, UFMADJ for coverage period December 2016 on Issuers' PPRs and 820s.
- CMS will reverse these adjustments in the March payment cycle when PBP has updated to reflect the correct termination dates.

Temporary Manual Adjustments: Issuers with Outstanding January Invoices

- For Issuers with remaining January invoices, the temporary manual adjustments will net against any outstanding invoices (subject to CMS netting rules)
  - This primarily applies to Issuers exiting the Marketplace between 2016 and 2017
- Affected Issuers **will need to pay the remaining amount due** on the invoice in the allotted time (i.e., 30 days from the date on the invoice) in order to avoid interest.
- Issuers with outstanding invoices that will be partially offset by these temporary adjustments are being notified today via email
  - Emails list the invoices affected and the remaining amount to pay
- If you believe you are impacted by this issue and do not receive an email, please contact the FMCC at FMCC@cms.hhs.gov

Policy-based Payments: Temporary Manual Adjustment

Temporary Manual Adjustment for Policy-based Payments

February 2017 Policy-based Payments:

- CMS made a temporary manual adjustment in the January payment to the 2017 Policy-based Payments (PBPs) for Federally-facilitated Marketplace (FFM) Issuers and Issuers in State-based Marketplaces using the Federal platform (SBM-FP) offering major medical plans.
- This adjustment was made to mitigate the cash flow impact of the transition to 2017 for Issuers on PBPs.
- In the February payment cycle, CMS will reverse the adjustment that was applied in the January cycle and apply a new year-to-date manual adjustment.

Temporary Manual Adjustment for Policy-based Payments (continued)

February 2017 Policy-based Payments:

- CMS will calculate the February adjustment using a year-to-date payment estimate equal to 80 percent of the estimated PBPs on effectuated enrollment plus enrollment still in "initial" status (i.e., "Upper Bound").
- If the Issuer's calculated PBPs are less than 80 percent of this amount, CMS will apply an adjustment to increase the Issuer's advance payment, net of FFM user fees, up to the 80 percent threshold.
- CMS will not make any downward payment adjustments to Issuers whose total calculated PBPs are above the 80 percent threshold.
- For Issuers with adjustments, these will show on the Issuers' Preliminary Payment Report (PPR) and HIX-820 as three (3) separate manual adjustments to APTC, CSR and User Fees ((in addition to three (3) separate manual adjustments to reverse of any January adjustments)).

Temporary Manual Adjustment for Policy-based Payments (continued)

- **Reversing Manual Adjustments:**
  - CMS will reverse these manual adjustments in the March 2017 payment cycle so that advance payments and FFM User Fee charges as of March 2017 accurately reflect reconciled enrollment.
- **Temporary Manual Adjustments will be reversed in the March payment cycle—submit Inbound 834s for all effectuations ASAP!**
  - The March payment cycle will reflect the RNCI file Issuers submit in late January

Exchange Payment Type Codes for January Policy-based Payments

Year	Issuer Type	Process	Transaction Type	Exchange Payment Type	Coverage Period Start Date	Coverage Period End Date
2016	FFM and SBMFP Issuers	PBP	Retroactive Adjustments – APTC, CSR, UF	APTCADJ, CSRADJ, UFADJ	2016MMDD	2016MMDD
2016	SBM Issuers and FFM/SBMFP UFR and SHOPUF adjustments	MA, Manual workbooks	APTC, CSR, UF, SHOPUF, UFR	UFRMADJ, APTCMADJ, CSRMADJ, UFMADJ, SHOPUF	2016MMDD	2016MMDD
2017	FFM and SBMFP Issuers	PBP	Prospective and Retroactive Adjustments – APTC, CSR, UF	APTC, CSR, UF APTCADJ, CSRADJ, UFADJ	2017MMDD	2017MMDD
2017	SBM Issuers and FFM/SBMFP UFR, SHOPUF, and January temporary manual adjustments	MA, Manual workbooks	APTC, CSR, UF, SHOPUF, UFR	UFRMADJ, APTCMADJ, CSRMADJ, UFMADJ, SHOPUF	2017MMDD	2017MMDD

State Based Marketplace (SBM) – Federal Platform User Fee Reminder

User Fee Reminder

SBM-FP User Fee

- As a reminder, Issuers offering QHPs through State-based Marketplaces using the Federal Platform (SBM-FPs) are assessed a user fee as a percent of total monthly premiums charged by the Issuer for each policy where the enrollment is through the Federal platform beginning with the 2017 benefit year.
- For the 2017 benefit year, this user fee rate is set at 1.5% of total premiums.
- The user fee is charged by market and state. The following states are considered SBM-FP states for the 2017 benefit year.
  - AR (individual market), KY (individual and SHOP markets), NV (individual and SHOP markets), OR (individual market), and NM (individual market).
- Issuers in Oregon and Kentucky will see the 1.5% user fee charge on 2017 PPRs and 820s
- CMS will invoice the SBM in Arkansas, Nevada and New Mexico

Cost-sharing Reduction Portion of Advance Payments Refresher

Calculation of Cost-Sharing Reduction Portion of Advance Payments

Calculation of 2017 benefit year cost-sharing reduction (CSR) portion of advanced payments is unchanged.

The formula:

Total premium for the enrollment group, multiplied by a CMS factor for the CSR plan variation.

CSR Advance Payment Multipliers

Cost-Sharing Reduction Plan Variation	Plan Variation Multiplier
73 percent AV silver plan variation	0.03
87 percent AV silver plan variation	0.22
94 percent AV silver plan variation	0.31
Limited cost sharing plan variation of bronze QHP	0.41
Limited cost sharing plan variation of silver QHP	0.22
Limited cost sharing plan variation of gold QHP	0.15
Limited cost sharing plan variation of platinum QHP	0.04
Zero cost sharing plan variation of bronze QHP	0.61
Zero cost sharing plan variation of silver QHP	0.38
Zero cost sharing plan variation of gold QHP	0.21
Zero cost sharing plan variation of platinum QHP	0.09

HIOS Updates

HIOS is implementing an enhancement to the HIOS Portal to address Organization requests to be able to view users that have roles associated with their organization. This enhancement will provide users with Company and Issuer Administrator roles with the capability to view this information via the HIOS Portal User Interface.

Pre-requisite to Access Functionality

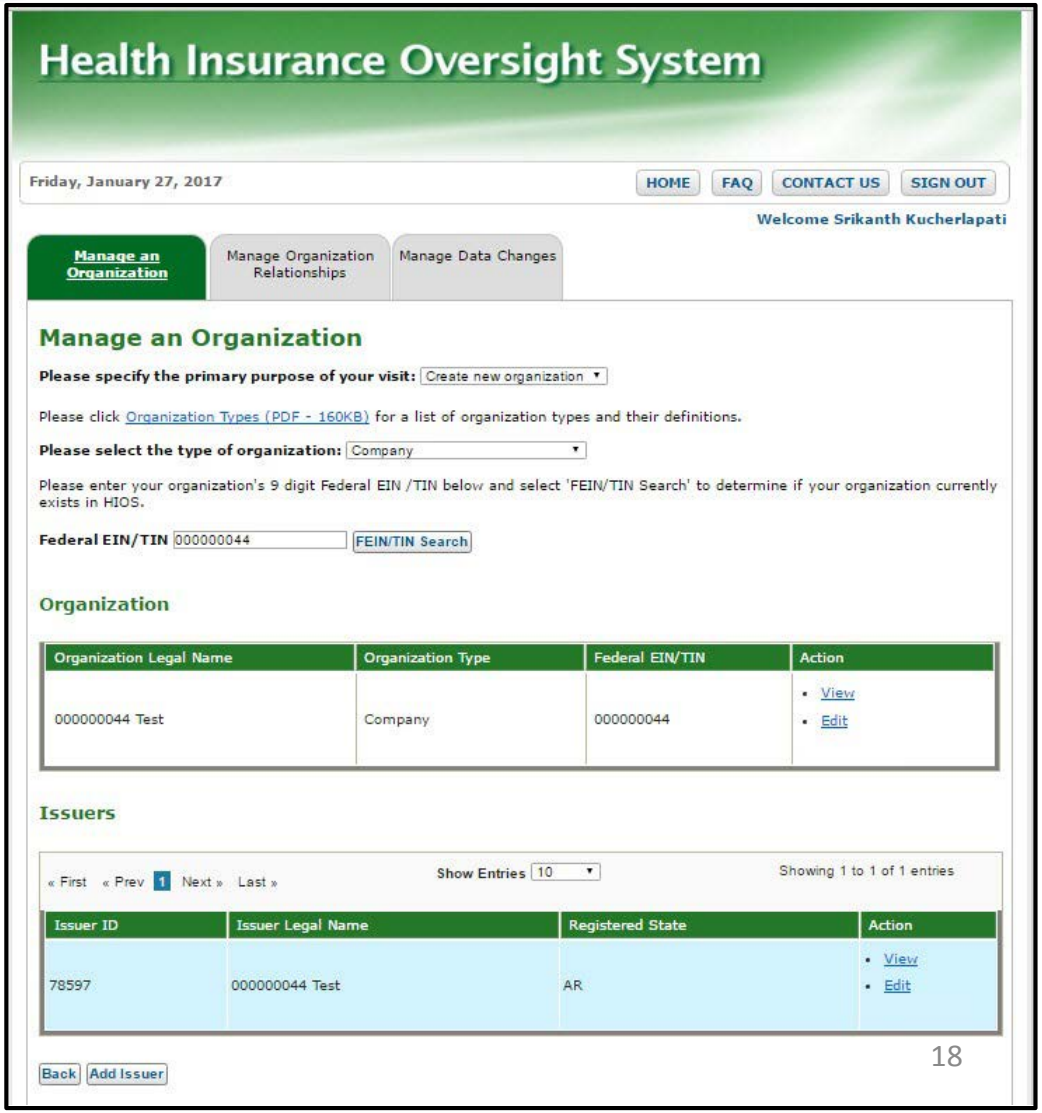
To be able to access this functionality,
users should have either of the following roles:

- Company Administrator (associated with a 9 digit FEIN/TIN)- *A representative of the Company who will be solely responsible for editing of Company level information. A Company can have any number of Company administrators. A user with a submitter or validator role for a Company cannot be a Company administrator.*
- Issuer Administrator (associated with a 5 digit HIOS Issuer id)- *A representative of the Issuer who will be solely responsible for editing of the Issuer level information. Each Issuer can have multiple Administrators. A user with a Submitter or Validator role cannot be an Issuer Administrator.*

Outlined below are the steps to obtain these roles:

1. Login to HIOS Portal
2. Navigate to the Role Management
3. Select the Request Role tab
4. Select HIOS Portal from the module drop down.
5. Select Company Administrator for the Role (*Once approved, shall have access to Company as well as the associated Issuers)*
6. Select Organization with FEIN as the association (Enter a 9 digit FEIN).
7. Click Search, once organization found, click Review/Continue, then click Submit.
8. Similarly for Issuer Administrator (the Association shall be a 5 digit HIOS Issuer ID)

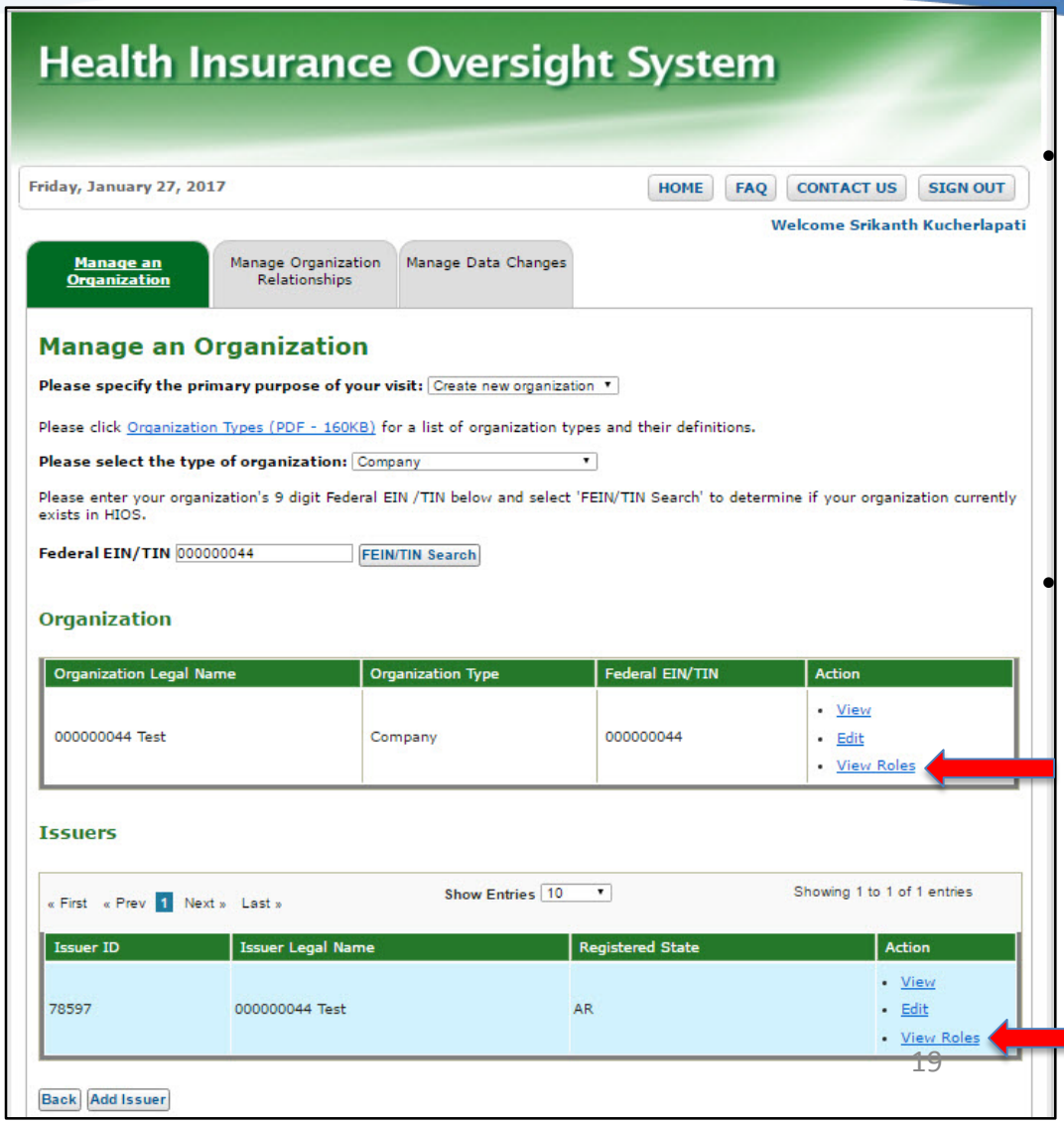
Portal CR-1472 – Current View



Users will need to follow these steps to access this page:

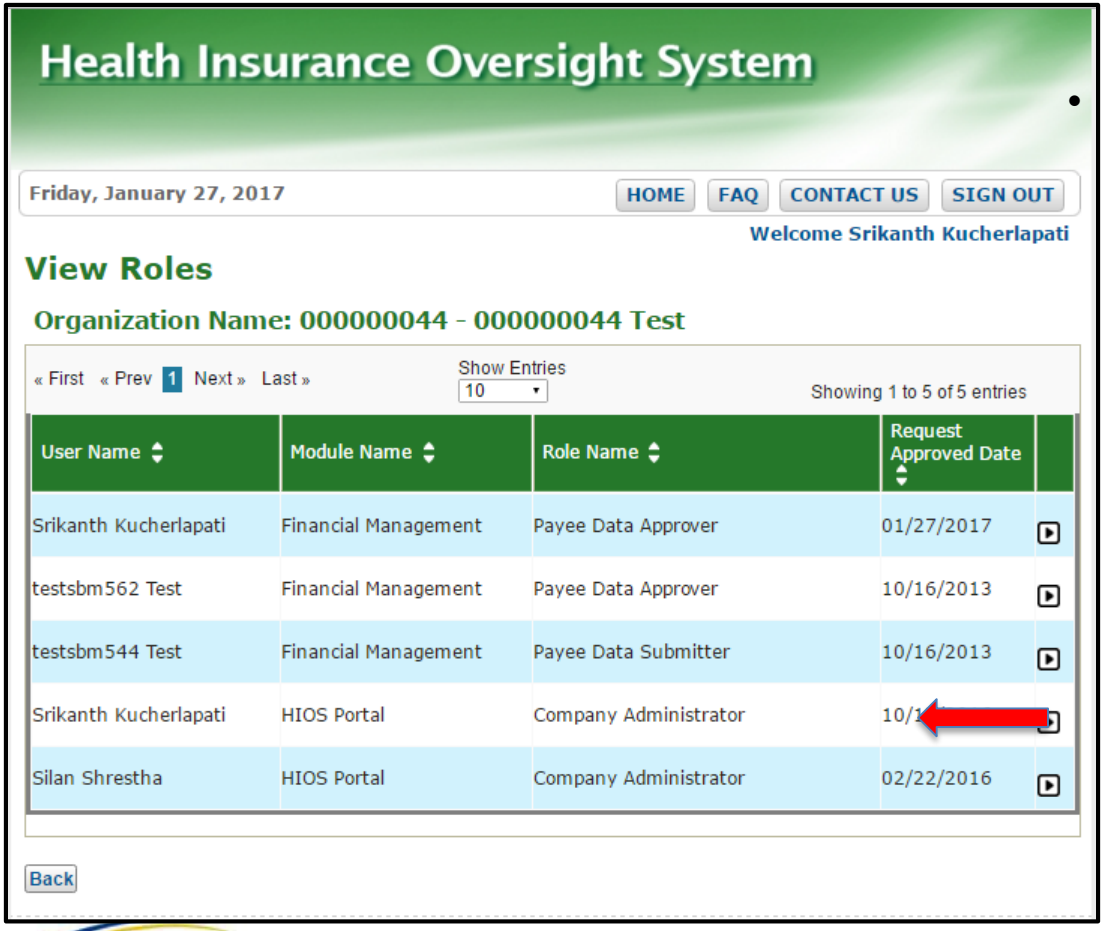
- Login to HIOS Portal.
- Navigate to Manage an Organization.
- Select the “Create new organization” from the primary purpose drop down.
- Enter the FEIN/TIN for the organization.
- If the user is an administrator for the Organization FEIN/TIN entered, the current view only displays the “VIEW” and “EDIT” hyperlinks for the Company and the associated Issuers.

Portal CR-1472 – Future View



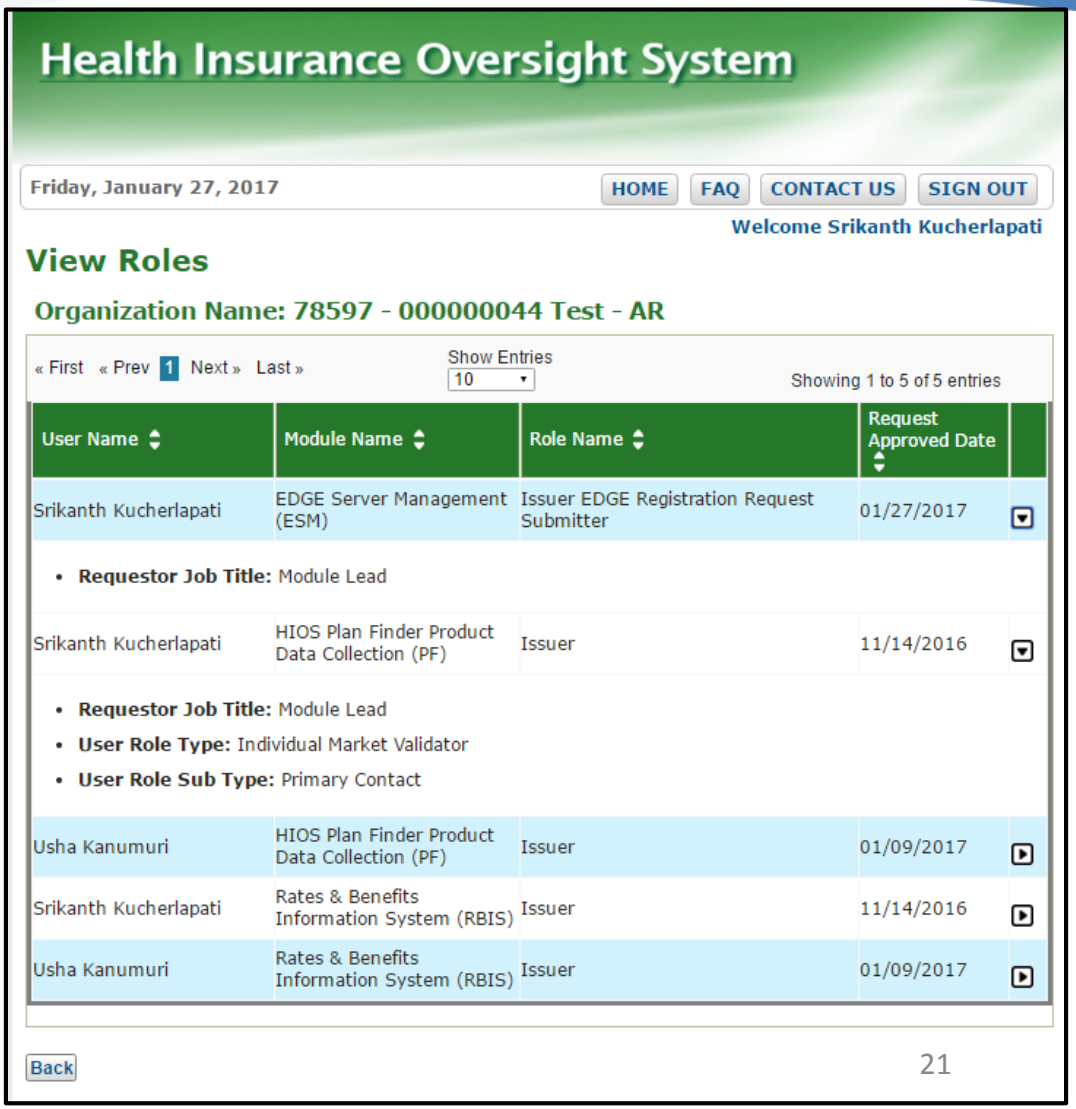
- The user logged into HIOS has a Company Administrator role for the FEIN-000000044. Therefore, the "View Roles" hyperlink is being displayed both at the Organization level and for the Associated Issuers (78597) in the table below.
- Note: If the user only had an Issuer Administrator role for the Issuer 78597, then the "VIEW Roles" hyperlink would only be displayed in the Issuer table and not in the Organization table.

Portal 1472 – View Roles Page-1



Once the user clicks on the “View Roles” hyperlink at the Organization level, the following page shall display all the users who have roles for different modules associated with the FEIN for the organization.

Portal 1472 – View Roles Page-2



Once the user clicks on the “View Roles” hyperlink at the Issuer level, the following page shall display all the users who have roles for different modules associated with the Issuer ID .

Payment Dispute Updates

Payment Dispute Processing Changes

Presentation Outline:

- Disposition and Detail Code Updates
  - PD543
  - PD561
- 2016 QHP ID Adjustment Issue
- Tips for resolving disputes that receive the following detail codes.
  - FV900
  - FV202

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.

Disputed Policy Found in Different QHP

- Issuers that dispute missing policy payments may encounter detail code PD543 when the Issuer start date is earlier than the FFM start date and the RCNO indicates that the FFM is to update to the Issuer start date.
- There is evidence that shows the member is enrolled in a different QHPID for the disputed coverage period and payment.
- Detail code PD543 results in disposition code R6 – Dispute Not Supported by RCNI.
  - Issuers should review their RCNI for possible overlapping coverage and make the necessary corrections in the next RCNI file.

Missing Payment – Policy to be Effectuated

- New business processing rules for payment disputes of missing payments, led to a new detail code, PD561 (I1 – In Process).
- The Issuer reported the subscriber as enrolled in the disputed policy with an Issuer Premium Paid Indicator of “Y” in the current batch, but FFM shows a Premium Paid Indicator of “N" and the policy does not have any overlapping dates with another policy.
  - Issuers should expect the disputed policy to be effectuated by the FFM and see a payment adjustment processed within 1-2 payment cycles.

Early 2016 QHP ID Adjustment Issue

- In the first half of 2016, the FFM was applying adjustments on the current QHP ID of disputed policies and not the original QHP ID of the policy.
- The logic was corrected in August.
- The correct payments have been applied to policies but because the adjustments were applied to the current QHP ID instead of the QHP ID active for the disputed coverage dates, Issuers may not be able to reconcile payments by QHP ID.

Exchange Assigned Policy ID	Exchange Assigned QHP ID	APTC Amount	Coverage Period Start Date	Coverage Period End Date	Payment Amount
11111111	12345US001000201	250.00	20160201	20160229	250.00
11111111	12345US001000206	250.00	20160201	20160229	(250.00)
22222222	12345US001000206	333.00	20160201	20160229	333.00

Tips for Resolving Detail Code FV900

- **FV900** (Issuer disputed a missing payment, but a PPR / HIX 820 record was found for the Exchange Assigned Policy ID, coverage start and end dates, and payment month.)
  - R3 disposition – FFM fields on form do not match PPR/HIX 820
  - Issuers should review the coverage period cited on the dispute form, verify the Exchange Assigned Policy ID and resubmit the dispute, if necessary, with the corrected information identifying the value(s) the Issuer is disputing.

Tips for Resolving Detail Code FV202

- **FV202** (Coverage Period Start Date and Coverage Period End Date are not in the same calendar month.)
  - R2 disposition – Record Does Not Meet Dispute Requirements.
  - Issuers receive this code when the Coverage Period Start Date and Coverage Period End Date extend beyond a single calendar month.
    - Policy-based payments are made by calendar month, in whole or in part.
    - Submit date fields for the coverage month being disputed, not the benefit coverage dates for the whole coverage period. (e.g., If disputing March payment for a policy active January through May, submit dates 3/1 to 3/31, not 1/1 to 5/31).
    - Issuers should be clear with the values they are disputing and report them accurately in the dispute form.

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*

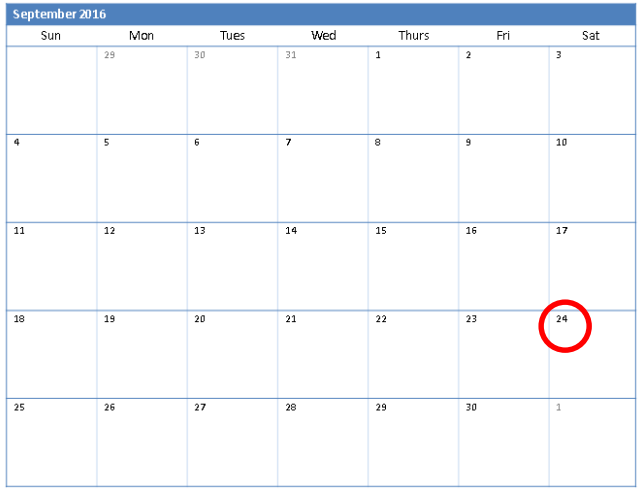
To submit questions by webinar:

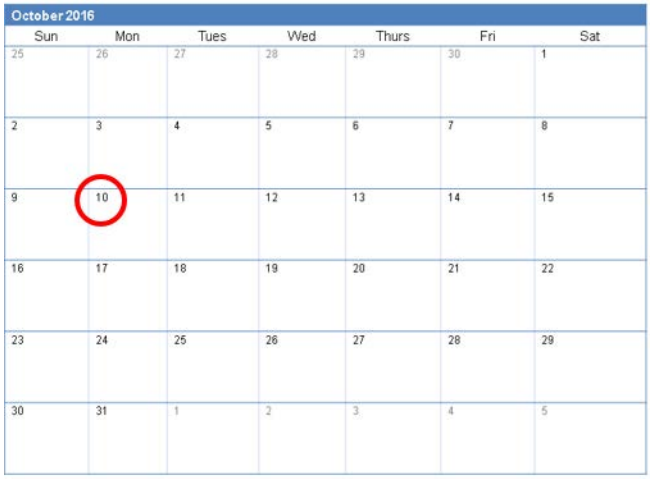
- *Type your question in the text box under the 'Q&A' tab*

APPENDIX

Vendor Management and Payment Activity Key Dates

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 443-380-5196 to allow CMS to 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.

*The fax number has been updated, effective 9/25/17

Payment Activity Key Dates

Key Payment Activities	February	March	April
SBM Issuer Workbooks Submission Window	Jan. 16th-20th	Feb. 16th – 22nd	Mar. 16th-22nd
Vendor Management Module Open	Feb. 11th – 24th	Mar. 11th – 24th	Apr. 11th-24th
Initial Invoice sent to Issuers	Feb. 9th – 13th	Mar. 10th – 14th	Apr. 11th-13th
Preliminary Payment Reports sent to Issuers	Feb. 13th – 15th	Mar. 13th – 15th	Apr. 12th-14th
Treasury issues payments to Issuers	Feb. 21st	Mar. 21st	Apr. 20th
HIX 820 Payment transactions sent to Issuers	Feb. 28th	Mar. 31st	Apr. 28th

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

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

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.
  - 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

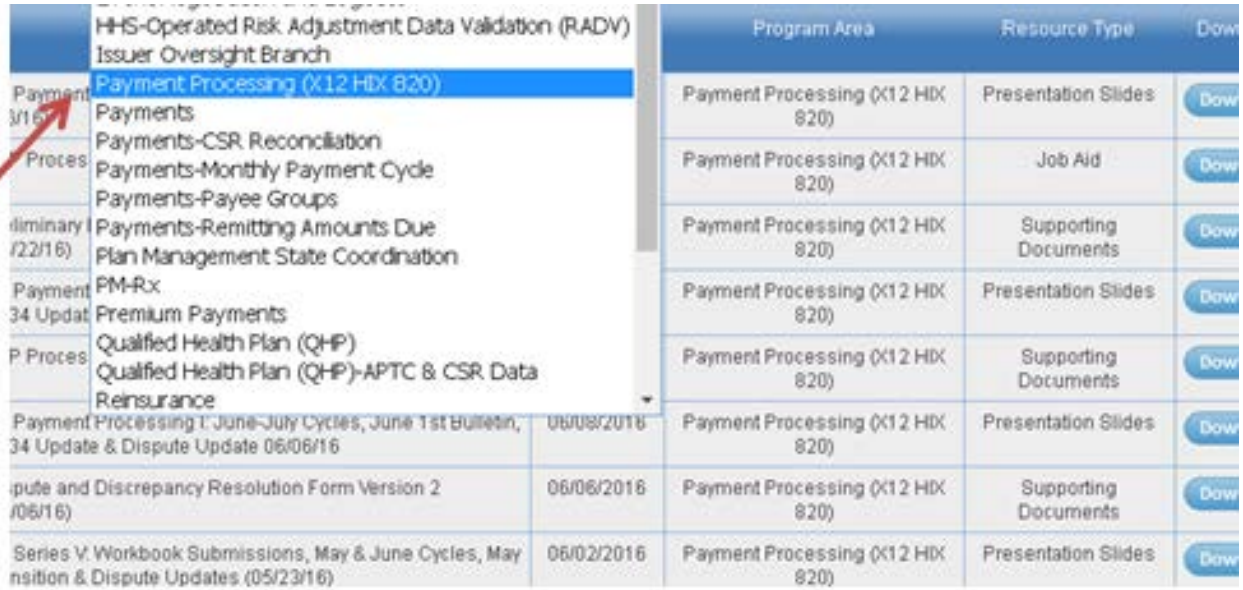
Resources

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

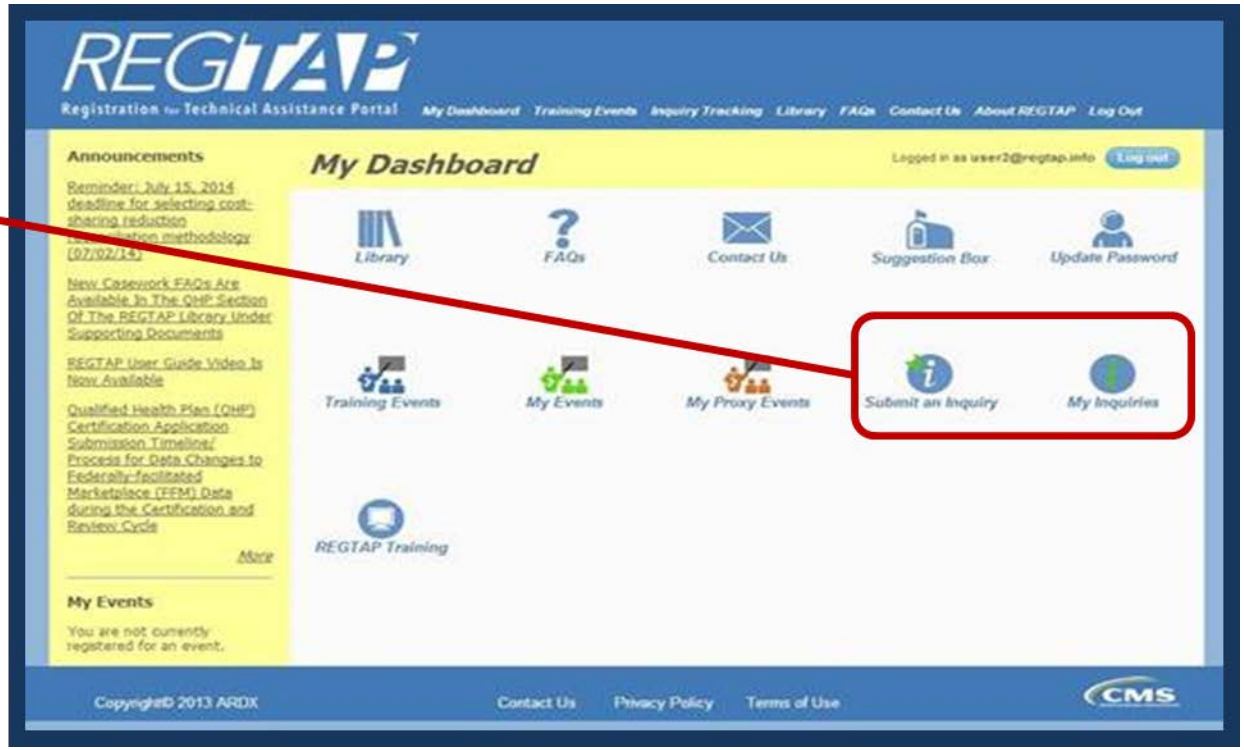
Under Program Area, select "Payment Processing (X12 HIX 820)"



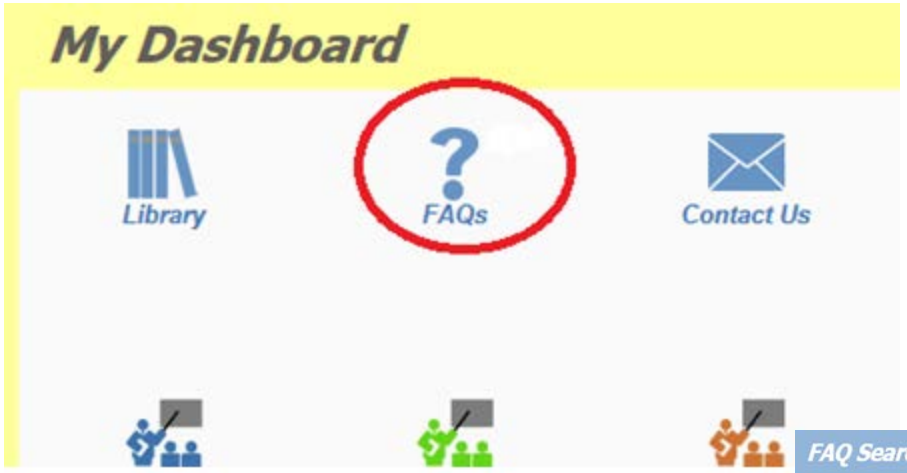
Inquiry Tracking and Management System (ITMS)

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

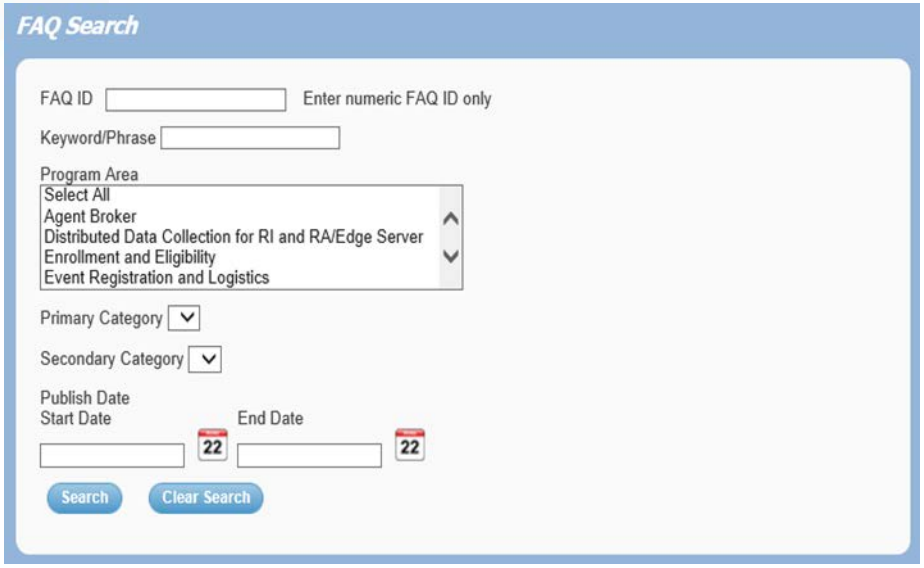
Select “Submit an Inquiry” from My Dashboard.



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