FM Payment Processing I:

PBP Issuer Data Quality Year-End Sprint, Workbook Submission Reminders, One (1) Penny Issue and Payment Dispute Updates

October 31, 2016

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Agenda

- PBP Issuer Data Quality Year-End Sprint
- Workbook Submission Reminders
- One (1) Penny Issue
- Payment Dispute Updates
- Appendix
- Resources

Policy Based Payments (PBP) Issuer Data Quality Year-End Sprint

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2016 is running out!!!

- **Year-end data quality is CRITICAL:** Alignment between CMS and Issuer enrollment data supports **accurate payment** and **accurate 1095-As** being sent to consumers.
- Few opportunities remain to correct misalignment in 2016 data.
  - 1095-As will be sent to consumers in **January 2017** based on FFM's data at that time.
  - **March 2017** will be the last enrollment reconciliation cycle for 2016 plan year data. *All corrections to FFM data after the March reconciliation cycle will have to be submitted as disputes.*

Data alignment with CMS: What do I need to do?

To ensure data alignment, all Issuers should :

1. ***Submit inbound 834s*** for all eligible updates (effectuations, cancels, terminations, date changes) and **ensure that updates are accepted by CMS.**
2. ***Submit regular, timely, and accurate monthly enrollment reconciliation files to CMS.*** Regularly review the flags in your RCNO files and summary statistics sent by CMS to ensure that expected updates are being made.
3. ***Submit disputes*** to CMS for any identified misalignments of enrollment or payment data:
   - ***Payment disputes:*** Ingest PPRs and/or 820s; promptly submit any disputes to CMS
   - ***Enrollment disputes:*** Identify any discrepancies in the recon process and submit as enrollment dispute for resolution

Workbook Submission Reminders

Workbook Submission Reminders

- SBMs are reminded that their Enrollment & Payment Data Workbooks, should be submitted during the **initial submission** window.
- The resubmission window is to allow the opportunity to **resubmit** workbooks that failed CMS' cursory review or validation process.
- Submitting a workbook for the first time during the resubmission window limits your ability to resolve any potential failures or issues found within your workbook, as well as increases your chances of missing the final submission deadline. Workbooks that miss the final deadline are in jeopardy of not receiving payment for that cycle.

Penny Differences Since July 2016 Payment Cycle

Penny Differences Since July 2016 Payment Cycle

- **Issue:** Issuers reported Penny adjustments for a large number of policies since July 2016 Payment cycle.
- **Cause:** Batch auto renewal (BAR) process and Enrollment Reconciliation rounded differently in 2016. The penny adjustments were created when the auto renewed policies were modified by Recon, which automatically recalculates CSR amount based on the CSR variant and the premium amount.

o **Resolution:**

- *2016 Policies Only* – Recon process will **not** update the CSR amount if the difference is ≤ $0.01 for 2016 policies.
- 2017 Policies – The BAR rounding was fixed for 2017 Policies.
- **Schedule:** The short term Recon process change will be deployed for the December 2016 Payment cycle. Issuers should not see any penny differences after this deployment.

Payment Disputes Update

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Submitting Payment Disputes

- Reminder! Please submit your Payment Disputes!
  - Submit a Payment Dispute for any record perceived to be incorrect.
  - Use the Payment Dispute Response file as a tool to determine if an RCNI correction is necessary, or if the payment discrepancy is simply a timing issue.
  - Large volumes will not impede processing times.
- The FMCC (Financial Management Coordination Center) help desk at FMCC@cms.hhs.gov assists Issuers with:
  - Questions or concerns regarding the Payment Dispute process.
  - Technical assistance.
  - File submission.

Payment Dispute Processing Changes

Two (2) changes regarding Payment Disputes are being implemented.

1. New Payment Dispute Function Code
2. New Detail Code

New Function Code

Reminder!

- The Electronic Funds Transfer (EFT) file naming convention has a new function code: **ERRP**.
  - Effective November 1, 2016 – Issuers **must** use this code for Payment Dispute submissions.
  - ER&R will use this code to communicate Payment Dispute responses starting November 1, 2016.

  Note: Enrollment Disputes continue to use the ERRS function code.
- File Naming Convention
  - Prior format example: TPID.**ERRS**.**D**YYMMDD.**T**HHMMSSmmm.P.**OUT**
  - New format example: TPID.**ERRP**.**D**YYMMDD.**T**HHMMSSmmm.P.**OUT**

New Detail Code

- Issuers that dispute missing policy payments, often following a Change in Circumstance (CiC), may encounter a new Detail Code, PD538, that is now applied in situations where:
  - The disputed policy is cancelled or terminated in the FFM for those coverage dates.
  - The subscriber associated with the dispute has another effectuated policy with a different HIOS for the same date span.
- Tips for correcting this issue are provided on the next slides.

Tips for Resolving Common Errors

- If an Issuer is seeing a missing payment, it may be because that consumer's payment is occurring on another policy, another plan, or another HIOS ID
- The following three (3) Detail Codes indicate the consumer made an enrollment change which is the reason the Issuer did not receive payment for the disputed policy:
  - PD530 – The consumer with the same (14 character) QHP, is identified on a different policy.
  - PD531 – The consumer with the same (5 digit) HIOS, has a different product/plan (different 14 character QHP), and a different policy.
  - PD538 –The individual has a different policy with a different (5 digit) HIOS.

Tips for Resolving Common Errors
(continued)

- All disputed policies assigned these detail codes indicate:
  - Canceled or terminated in the FFM.
  - The consumer effectuated in a different policy for the same date span.
- In these scenarios, Issuers:
  - Verify cancelation or termination of disputed policies that receive these detail codes;
  - Should not expect payment if the disputed policy is canceled or terminated;
  - Change the start and/or end date for the applicable policy on the next RCNI.

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

Policy Based Payments (PBP) Issuer Data Quality Year-End Sprint (continued)

Data alignment with CMS: How am I doing?

Inbound834 Success

- Encourage regular validation of file preparation against IC834 requirements to ensure updates are accepted by CMS:
  - File naming conventions
  - Transaction order sequence and Date processing rules
- Use Inbound834 to update the following fields for a given FFM policy:

Benefit End Date	Issuer Assigned Policy ID
Paid Through Date	Issuer Assigned Subscriber ID
Issuer Assigned Member ID	

- IC834 ingestion and processing occurs ***daily***, throughout the day
- Notifications from Inbound834@bah.com will indicate low transaction acceptance rates for IC834 file submission.

Data alignment with CMS: How am I doing? (continued)

- Use the following reports to identify how your HIOS' and IC834 submissions are performing in the marketplace:
  - PO FFM-IC834 Summary Report

Coverage Year	Issuer Details				Transaction Details					Primary Matching Rejection Errors			Secondary Matching Rejection Errors*				Other
						Transaction Counts					Policy Identification			Business Processing Rules			
	Hios	Issuer Name	State	TPID	Transaction Type	% Accepted	Total	Accepted	Rejected	Invalid/ Missing Mandatory Fields	4 Key Mis-Match	Invalid Transaction Type	Secondary Fields Mis-Match	Invalid Date	Invalid Policy Status Update	Duplicate Policy Status Update	
2015	XXX	Issuer Name	XX	XXX	Cancellation	30.00%	50	15	35	10	10	-	8	-	8	5	-
2015	XXX	Issuer Name	XX	XXX	Termination	80.00%	10	8	2	2	-	-	-	-	-	5	-
2016	XXX	Issuer Name	XX	XXX	Effectuation	11.76%	170	20	150	20	30	-	12	40	7	50	-

* A Rejected transaction could have 1 or more of these errors

  - PO FFM-IC834 Detailed Report (OP834T)

Transaction_ Update Status	Error Codes	Issuer_X12_FileName	E046_Benefit_Begin_Date _FFM_Value	E046_Benefit_Begin_Date _Ic834_Value
Accepted		/834/INBOUND/X12/IC834….		
Rejected	E046	/834/INBOUND/X12/IC834….	20150501	20150601
Accepted		/834/INBOUND/X12/IC834….		

Data alignment with CMS: How am I doing? (continued)

- What fields within the PO Reports lend information to determine performance?
  - Summary Report
    - % Accepted; % Rejected of all transactions submitted per HIOS
    - Counts of Primary and Secondary matching errors per HIOS
  - Detailed Report (OP834T)
    - Status of ***each transaction*** submitted
    - BAA error code and details of the element in error for each rejected transaction
- If your acceptance rate is **> 80%**, your IC834 submissions are performing well.
- If your acceptance rate is **< 50%**, you will receive a notification from Inbound834@bah.com requesting a meeting to go over your IC834 file errors.

Data alignment with CMS: How am I doing? (continued)

Enrollment Reconciliation Success:

- Submit Inbound Reconciliation (RCNI16) Files ***every month*** per the established Recon Calendar on zONE.
  - Best practice is to submit one (1) day prior to the deadline to ensure successful file transfer via EFT and address any issues identified by CMS front-end validation routines.
- Review results of reconciliation as provided in the Outbound Reconciliation (RCNO16) Files ***every month****.*
  - Review the matching rates of records found within your file
    - Record-Level Flags ***M, E, N, P, Z, C*** indicate a successful match between Issuer and FFM records.
      - Issuers highly proficient at recon typically match at least 90-95% of records.
    - Record-Level Flags ***D, L, W, F, G, I, R, U*** indicate an unmatched or erroneous record.

Data alignment with CMS: How am I doing? (continued)

Reconciliation Success:

- **Enrollment**
- Review unmatched records to attempt to resolve mismatches if possible:
  - FFM Orphans (F – Median 2% across all Issuers): Review to determine if records should be added to Issuer enrollment system or are extraneous records that should be cancelled on FFM
  - Issuer Orphans (I – <0.5%): Review to determine if a matching FFM record exists in the file and update identifiers as needed to match to the FFM records; otherwise follow UIE guidance for 2016
  - Unmatched One: Many, Many:Many (L & W - <0.5%): Review to determine if extract process is creating the appropriate number of records to match FFM records and ensure that each record covers a distinct financial timespan.

Data alignment with CMS: How am I doing? (continued)

Enrollment Reconciliation Success:

- Review unmatched records to attempt to resolve mismatches if possible:
  - Duplicate Records (D - <0.1%): Review extract process to eliminate exact duplicate records
  - Unprocessable Records (U - <0.1%): Review to address data issues identified in the record that prevent processing
  - Leftover FFM Orphans (G - <0.5%): Ensure that all coverage/financial spans on FFM are reflected in Issuer data (or cancelled)
  - Leftover Issuer Orphans (R - <0.5%): Ensure that Issuer records cover same total coverage/financial spans reflected in FFM data
- If you have questions on record-level flags and how to minimize mismatched records, please contact the Enrollment Reconciliation Team by submitting a question to CMS_FEPS@cms.hhs.gov with the subject line "RECONCILIATION – QUESTION"

Data alignment with CMS: How am I doing? (continued)

Payment disputes:

- Ingest PPRs and/or 820s
- Submit any discrepancies MONTHLY to CMS
  - Issuers do NOT need to validate against Pre-audit or RCNO files to identify timing issues before submitting
  - CMS feedback will identify timing issues and RCNO inconsistencies
- Regularly review payment against reconciliation files to identify and submit needed updates.

Enrollment disputes:

- Identify any discrepancies in the recon process and submit as enrollment disputes for resolution.
- Updates that must be submitted as Enrollment Disputes:
  - Enrollment Blockers
  - Updates that do not involve a financial amount, coverage period, effectuation, or cancelation
  - All 2015 coverage updates (during the quarterly submission cycle)

Data alignment with CMS: How am I doing? (continued)

Payment dispute success:

- Submit monthly via an automated process, or working toward automation
- Low error rates:
  - R1, R2, R3, and R8 indicate submission errors due to logic or syntax
  - High-performing issuers have <25% of disputes with these errors and regularly review and update process and automation to reduce errors over time
- Use PPR/820, disputes, and dispute responses to inform RCNI submissions each month.

Enrollment dispute success

- If using instead of payment disputes, submit monthly via an automated process.
- Correctly identify reinstatements and enrollment blockers and use appropriate tabs to submit those issues.
- Low error rates:
  - Disputes must align with data submitted on RCNI
  - FR dispositions indicate submission errors due to logic or syntax
  - High-performing issuers have <25% of disputes with these errors and regularly review and update process and automation to reduce errors over time

Upcoming Data Quality Training Opportunities

Topic	Purpose	Schedule
Recon 301/ Inbound834 Q&A	• Deep Dive on Outbound Reconciliation Files • Open Q&A forum for Issuers	11/3/2016
Recon 401	• Advanced Recon Concepts and Expectations	11/10/2016

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

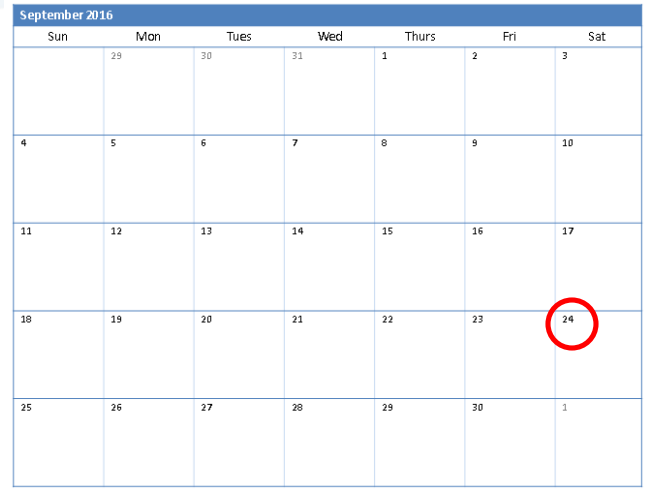
FM Payment Processing I: October and November 2016

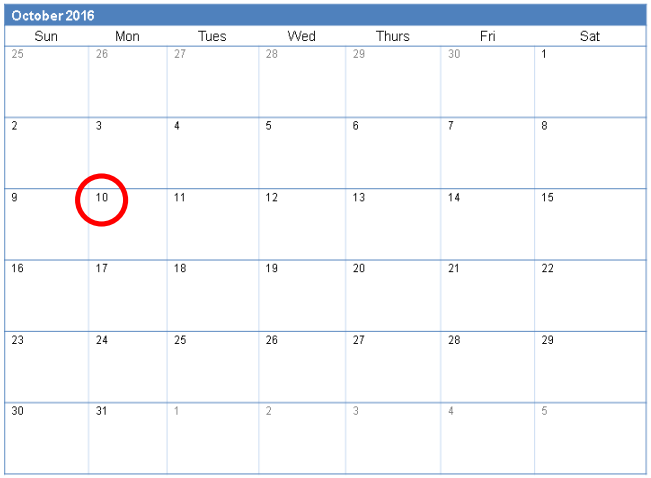
Day of Session	Date of Session	Time	Session Type
Monday	October 31, 2016	2:00 p.m. – 3:30 p.m. ET	Webinar
Monday	November 14, 2016	2:00 p.m. – 3:30 p.m. ET	Webinar
Monday	November 28, 2016	2:00 p.m. – 3:30 p.m. ET	Webinar

November – December Payment Cycle – Key Payment Activities

Key Payment Activities	November	December
SBM Issuer Workbooks Submission Window	October 17 – 21	November 16 – 21
Vendor Management Module Open	November 11 – 24	December 11 – 24
Initial Invoice sent to Issuers	November 10	December 13
Preliminary Payment Reports sent to Issuers	November 10 – 14	December 9 – 13
Treasury issues payments to Issuers	November 21	December 21
HIX 820 Payment transactions sent to Issuers	November 30	December 30

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

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.

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

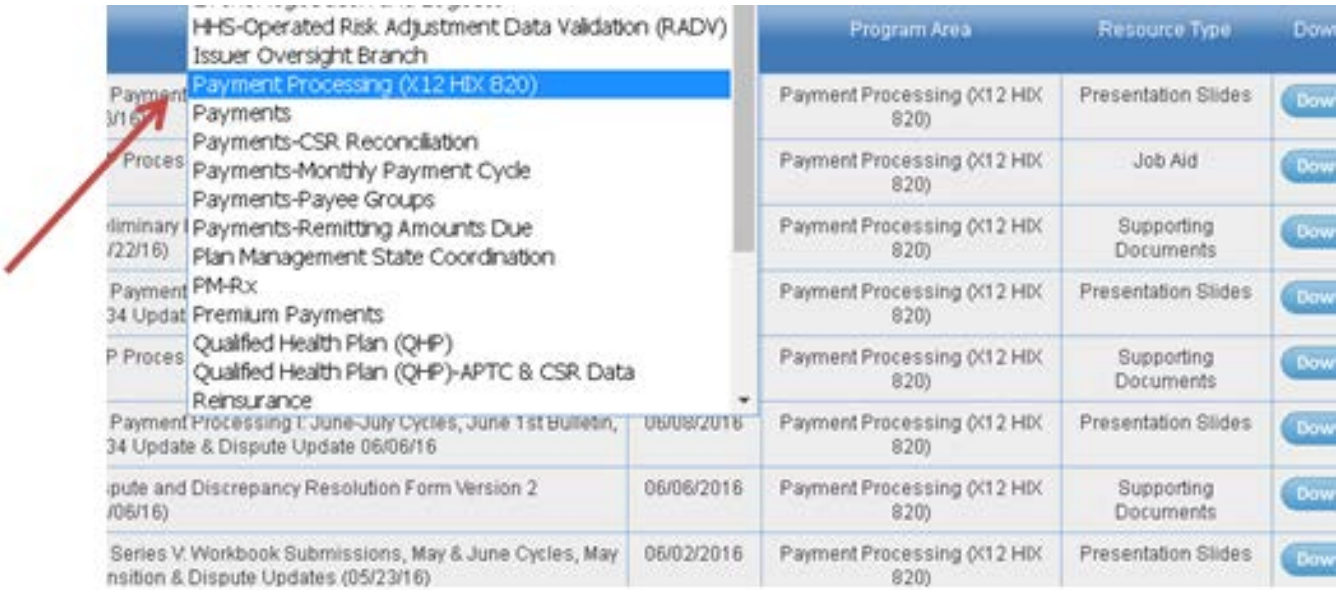
Resources

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

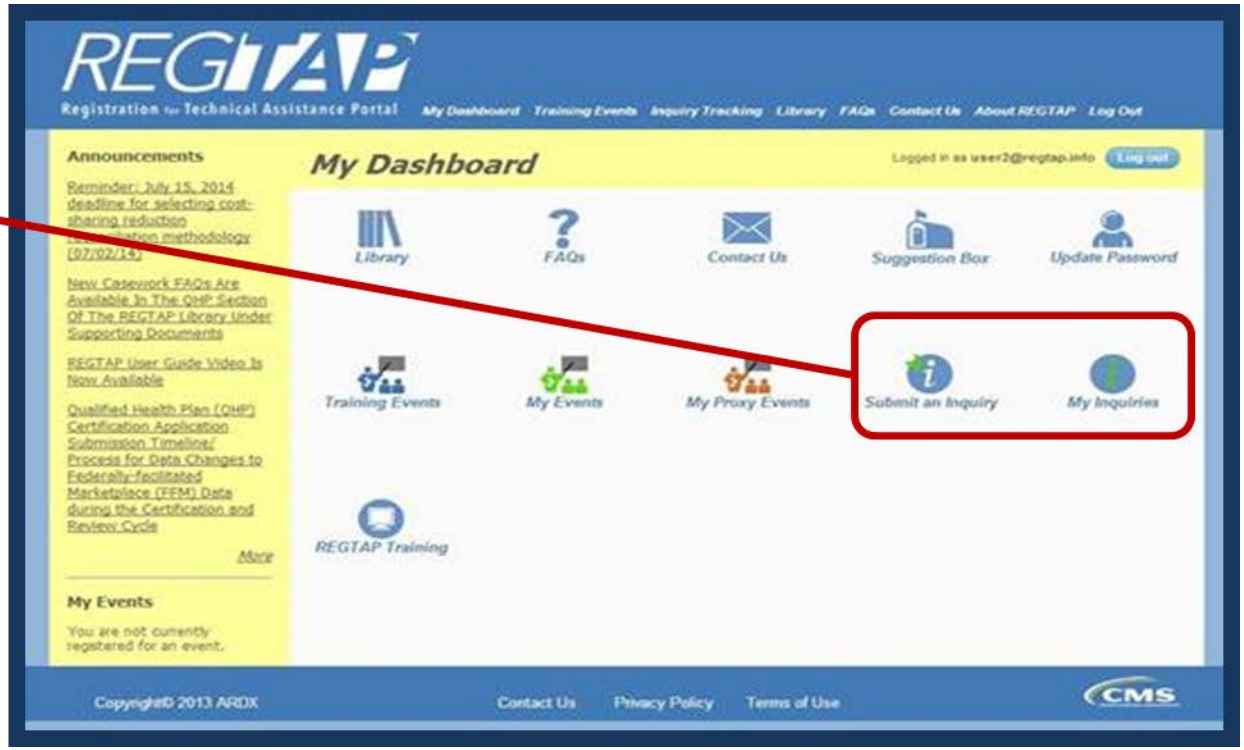
Under Program Area, select "Payment Processing (X12 HIX 820)"



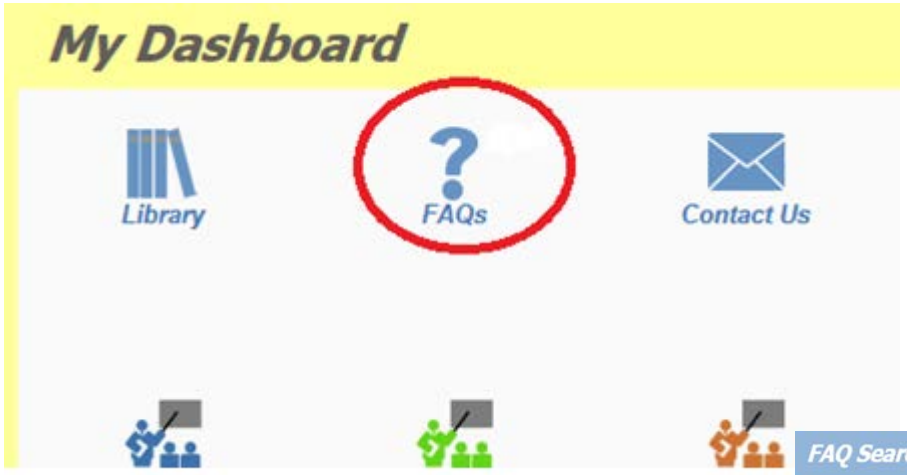
Inquiry Tracking and Management System (ITMS)

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

Select “Submit an Inquiry” from My Dashboard.

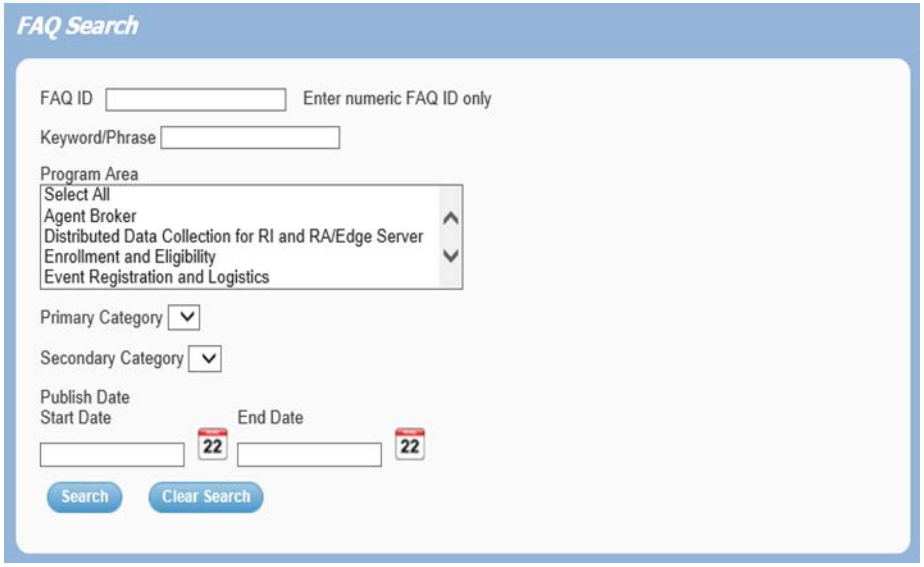


FAQ Database on REGTAP



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