

# DISTRIBUTED DATA COLLECTION (DDC) FOR REINSURANCE (RI) AND RISK ADJUSTMENT (RA): RISK ADJUSTMENT CROSS-YEAR CLAIMS

**January 19, 2016**

Health Insurance Marketplace Program  
Training Series

# Agenda

- Session Guidelines
- Intended Audience
- Purpose
- Risk Adjustment: Cross-Year Claims Without Enrollment in Current Benefit Year
- Questions
- Resources
- Closing Remarks

# Session Guidelines

- This is a 90-minute webinar session.
- For questions regarding content and the DDC program, please contact your Financial Management (FM) Service Representative directly and copy the Centers for Medicare & Medicaid Services (CMS) Help Desk ([CMS\\_FEPS@cms.hhs.gov](mailto:CMS_FEPS@cms.hhs.gov)).
- For questions regarding logistics and registration, please contact the Registrar at: (800) 257-9520.

# Intended Audience

- Amazon and On-Premise External Data Gathering Environment (EDGE) server issuers (Marketplace and Non-Marketplace) of plans in states where the U.S. Department of Health & Human Services (HHS) operates the Affordable Care Act (ACA) RA and RI Programs
- Third Party Administrators (TPAs) and Support Vendors

# Purpose

This presentation will:

- Provide an explanation of the impact of the January 22, 2016 maintenance release on Risk Adjustment cross-year claims.

# **Risk Adjustment: Cross-Year Claims Without Enrollment in Current Benefit Year**

# RA Cross-Year Medical Claims Without Current Year Enrollment

Currently, claims are not selected for RA when **ALL** of the following conditions are present:

- Inpatient hospital claims crossing benefit years, having enrollment in the preceding benefit year.
- Lacking enrollment in the current benefit year.

# Why These Claims Are NOT Selected for RA Today

- RA selection for inpatient hospital claims is based upon the claim's Statement Covers Through date.
- The issuer does not have enrollment for the patient as of the Statement Covers Through date.
- The claim cannot be considered for RA, even though the issuer may have incurred high expenditures with the inpatient stay.



# Solution: System-Generated Enrollment Periods

- To address this issue, CMS is changing the system to create enrollment periods within the current benefit year when certain conditions are met.
- These enrollment periods are called “system-generated cross-year enrollment periods.”

# What Triggers the System to Generate the New Enrollment Period?

- The enrollee has no days of enrollment in the benefit year for which RA is executed and all of the following conditions apply:
  - The claim Statement Covers From date is in the previous year and the Statement Covers Through date is in the year for which RA is executed.
    - The claim is active.
    - The claim is RA-eligible.
    - The claim is linked to an enrollment period.
    - The claim is not orphaned.
    - The claim Statement Covers From date falls within an active enrollment period for the same 16-digit Plan and Enrollee ID.
    - The claim contains a Diagnosis Code that maps to a Condition Category (CC) (meets all age and gender restrictions) at the time of RA execution.
    - The claim is an inpatient hospital claim.

# What Does NOT Trigger the System to Generate the New Enrollment Period?

A cross-year claim when the enrollee has one (1) or more days of enrollment during the current benefit year.

# How Long is the System-Generated Cross-Year Enrollment Period?

- The new enrollment period will be the greater of:
    - January 1<sup>st</sup> through March 31<sup>st</sup> of the current benefit year
- OR**
- January 1<sup>st</sup> through the Statement Covers Through date of the claim

# System-Generated Cross-Year Enrollment Periods: Examples

- For an inpatient hospital claim with a Statement Covers From date of December 1, 2014 and a Statement Covers Through date of January 12, 2015:
  - The new system-generated enrollment period will be January 1, 2015, through March 31, 2015.
- For an inpatient hospital claim with a Statement Covers From date of December 1, 2014 through April 30, 2015:
  - The new system-generated enrollment period will be January 1, 2015, through April 30, 2015.

# Characteristics and Effects of the System-Generated Enrollment Period

- Uses the premium from the subscriber from the preceding benefit year
  - For subscribers
  - For non-subscribers

# Characteristics and Effects of the System-Generated Enrollment Period (Continued)

- Applies only to the inpatient hospital claim which triggered the creation of the enrollment period.
- Does not apply:
  - To other inpatient hospital claims
  - Outpatient hospital claims
  - Professional claims
  - Claims from other enrollees on the plan

# Characteristics and Effects of the System-Generated Enrollment Period (Continued)

- Risk score calculations:
  - Will include the diagnoses:
    - Of the qualifying claim if these diagnoses would have been included as a result of an issuer enrollment.
    - Of supplemental records associated with the qualifying claim for this enrollee.
      - Includes supplemental records which do not cross into the current benefit year.
- Plan Liability Risk Score (PLRS) calculations will include the member months associated with the system-generated cross-year enrollment periods.
- All other risk score calculations remain the same.



# Characteristics and Effects of the System-Generated Enrollment Period (continued)

- Counts any enrollee as billable, for whom the system generated the new enrollment period:
  - For members currently billable per the rating method (ACA method or family tiering method).
  - For members not currently billable per the rating method.

# Characteristics and Effects of the System-Generated Enrollment Period (Continued)

- Counts as a subscriber any enrollee for whom the system generated the new enrollment period:
  - For subscribers
  - For non-subscribers

# Examples: Billable and Subscriber Members

- For example:
  - In the ACA rating method, for a family of six (6) enrolled members, Jane, at age five (5), is the youngest of four (4) children.
  - Jane is enrolled from January 1, 2014, through December 31, 2014, but not enrolled in 2015.

# Examples: Billable and Subscriber Members (Continued)

- Two (2) claims are submitted for Jane:
  - An inpatient hospital claim from February 1, 2014, through February 5, 2014. For this claim, Jane is a non-subscriber and unbillable.
  - An inpatient hospital claim from December 1, 2014, through January 1, 2015. For this claim, the system creates a cross-year enrollment period from January 1, 2015 through March 31, 2015. Jane is now both billable and a subscriber.

# Billable and Subscriber Members: Effects on RA Formulas

- The member's billable and subscriber status will be included in the appropriate RA risk transfer formulas.
- All other RA transfer calculations remain the same.

# Characteristics of the System-Generated Enrollment Period

Data used from the previous year:

- Enrollee ID
- Date of Birth (DOB)
- Gender
- Plan ID
- Rating Area
- Subscriber Indicator
- As noted previously, the subscriber's premium from the previous year.

# Other Effects of the System-Generated Cross-year Enrollment Period

- The created enrollment period will be added to the issuer's EDGE database and will not be populated by issuers in the enrollment inbound eXtensible Markup Language (XML).

**IMPORTANT NOTE:** The cross-year enrollment period is only used for the RA calculation and in limited reporting in order to include the cross-year medical claim in the calculation.

# Effects of Overlapping Coverage

- Two (2) cross-year enrollment periods will be created for the enrollee with the qualifying cross-year claim when he or she has:
  - Overlapping coverage in the same 16-digit plan.
  - Overlapping coverage in different 16-digit plans.



# Characteristics of the System-Generated Enrollment Period (Continued)

- Non-subscriber records will be assigned an Enrollment Period Activity Indicator (EPAI) of 021028.
- Subscriber records will be assigned an EPAI of 001.

# MySQL Database Updates

Each time the RA job is executed for each cross-year enrollment period created, the system will identify the system-generated cross-year enrollment period and log the following data elements in the EDGE server MySQL database:

- Enrollment End Date
- Subscriber Indicator
- Subscriber ID (for non-subscriber records)
- Enrollee ID
- Enrollee DOB
- Enrollee Gender
- 16 digit-Plan ID
- EPAI
- Risk Score (Demographic Score, Model Score, Cost-Sharing Reduction [CSR] Factor), including 15 decimal places
- Unique Identifier (UID) of the cross-year claim that required the cross-year enrollment period to be created

# Changes to Reports

The following reports will reflect the data affected by the system-generated cross-year enrollment periods:

- RA Risk Score Detail Report (RARSD)
- RA Risk Score Summary Report (RARSS)
- RA Transfer Elements Extract Report (RATEE)
- RA Data Validation Population Summary Statistics Report (RADVPS)
- RA Payment Hierarchical Condition Category Enrollee Report (RAPHCCER)

# RARSD and RARSS Reports: Additional Changes

The RARSS and RARSD Reports will capture the following information:

- Count of enrollees with a system-generated cross-year enrollment period (XML: “crossYearEnrolleeCount”)
- System-generated cross-year period member months (XML: “crossYearMemberMonthCount”,
- Total system-generated cross-year enrollment periods (XML: “crossYearEnrollmentPeriodCount”)
- The reports will capture the information at the following levels, as defined in the Interface Control Document (ICD) Addendum:
  - Plan/Rating Area level
  - Issuer Level

# RARSD Reports: IDs and Indicators

- In addition, the RARSD Report will contain the following at the enrollment period level:
  - An indicator (Y or N) to show which enrollment periods are system-generated cross-year enrollment periods (XML: “crossYearEnrollmentIndicator”)
  - The Claim ID of the cross-year claim that caused the issuer enrollment period to be created (XML: “crossYearClaimIdentifier”)

# Sample RARSS and RARSD Reports

You can find examples of the RARSS and RARSD XML and XML Schema Definition (XSD) files showing these new fields posted in the Registration for Technical Assistance Portal (REGTAP) Library at <https://www.REGTAP.info>:

- XML/XSD outbound files (12/17/15)
- DDC for RI and RA EDGE server supporting documents, found in the REGTAP Library.

# Questions?

To submit questions by phone:

- ☐ Dial '14' on your phone's keypad.
- ☐ Dial '13' to exit the phone queue.

# Resources



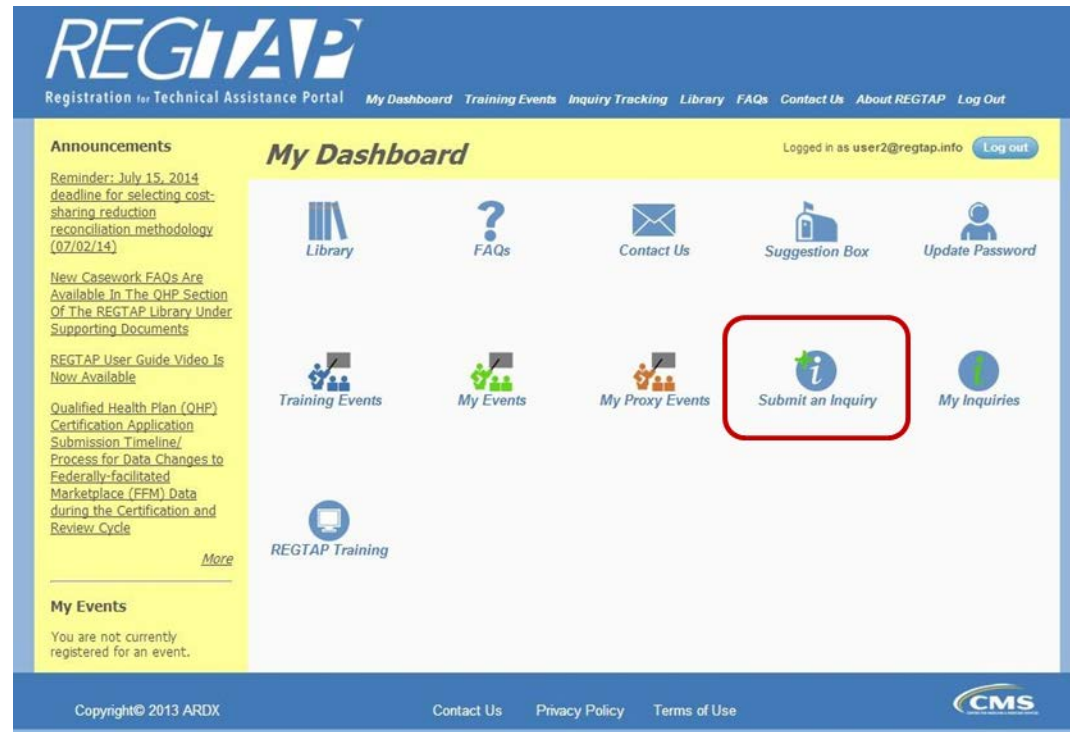
# Resources

Resource	Link/Contact Information
Center for Consumer Information and Insurance Oversight (CCIIO)	<a href="http://cms.gov/ccio/">http://cms.gov/ccio/</a>
Registration for Technical Assistance Portal (REGTAP) <ul style="list-style-type: none"><li>• Registration</li><li>• Inquiry Tracking and Management System (ITMS)</li><li>• Resource Library</li><li>• Frequently Asked Questions (FAQs)</li></ul>	<a href="https://www.REGTAP.info/">https://www.REGTAP.info/</a>

# Inquiry Tracking and Management System (ITMS)

ITMS is available at <https://www.regtap.info/>

Users can submit questions after the Webinar by selecting “Submit an Inquiry” from My Dashboard.



**Note: Enter only one (1) question per submission.**

# 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