

REINSURANCE PAYMENTS SERIES II: INTERIM RI OUTLIER ANALYSIS

January 7, 2016



Payment Policy & Financial Management Group,
Division of Reinsurance Operations Training Series

Session Guidelines

- This is a 90-minute webinar session.
- Frequently Asked Questions (FAQs) will be posted in the coming weeks.
- For questions regarding content, please submit inquiries to the Registration for Technical Assistance Portal (REGTAP) at <https://www.REGTAP.info/>.
- For questions regarding logistics and registration, please contact the Registrar at: (800) 257-9520.

Intended Audience

- Issuers of Marketplace and Non-Marketplace plans eligible for Transitional Reinsurance (RI) Program
- Third Party Administrators (TPAs) and Support Vendors
- Amazon and On-Premise External Data Gathering Environment (EDGE) server issuers (Exchange and Non-Exchange)

Purpose

- This session provides issuers and TPAs information on the analysis and associated criteria the Centers for Medicare & Medicaid Services (CMS) will use to determine eligibility for the interim RI payment for the 2015 Benefit Year.

Interim RI Payment: Overview for the 2015 Benefit Year

Overview

- As explained in the December 3, 2015 [Interim Reinsurance Payments](#) webinar, CMS will remit interim RI payments for the 2015 Benefit Year to issuers **who meet certain data quality requirements**.
 - The interim payments are an advance of a portion of issuers' total reinsurance payments for the 2015 Benefit Year.
- Parameters for the 2015 interim RI payment are:
 - Attachment point for enrollee's total paid amount of RI-eligible claims: \$45,000
 - Cap for enrollee's total paid amount of RI-eligible claims: \$250,000
 - **Coinsurance: 25%**
- Issuers have until **February 1, 2016** to submit data for consideration for interim RI payments.

Overview (continued)

- The amount of payment will be based on RISR data from the February 2, 2016 EDGE command deployment.
- CMS will conduct an initial and final round of outlier analysis to determine eligibility for interim RI payments.
- The formal appeals process is not applicable to interim RI payments. Therefore, issuers cannot appeal any CMS decisions regarding the interim payment amounts.
- No sequestration or appeals holdback will be applied to the interim payment.

Overview (continued)

- Payments **will have no impact** on:
 - The **total amount** of RI payments that issuers receive for the 2015 Benefit Year.
 - Timing of remittance of final RI payments.
 - The current [2015 Benefit Year EDGE Server Data Reporting Schedule](#), which is located in the REGTAP Library under the Distributed Data Collection (DDC) program area.
- After the final May 2, 2016 EDGE data submission deadline, the interim RI payment will be reversed and replaced with the final RI payment.

Interim RI Payment: Determining Eligibility

Eligibility Criteria

- To be eligible for the interim RI payment, issuers must meet the two standard EDGE data sufficiency metrics for RI, based on data loaded on the server as of February 1, 2016:
 1. **Average RI payment per enrollee receiving RI payment**
 2. **Percent of individual market enrollees with RI payments**
- Issuers identified as an outlier in either or both metrics **without justification** risk forfeiting interim RI payment.

Eligibility Criteria (continued)

Issuers who are notified as outliers must either:

- Update or correct their EDGE server data by February 1, **OR**
- Submit written justification to EDGEdatareply@cms.hhs.gov by February 10 if identified in the initial review, or February 26 if identified in the final review.

Interim RI payment quality review	EDGE data submission deadline	CMS notifies outlier issuers	Last day to correct or update data for interim RI payments	Issuer justification due to CMS
Initial review	January 8, 2016	January 20, 2016	February 1, 2016	February 10, 2016
Final review	February 1, 2016	February 12, 2016		February 26, 2016

Eligibility Criteria (continued)

- February 1, 2016 is the last day issuers, regardless of outlier status, can submit data to EDGE for consideration for interim RI payments.
- Final decisions on which issuers do not meet data quality standards for interim RI payments are based on the final review.
- All issuers, including those excluded from interim RI payments:
 - Should continue to timely submit data to their EDGE servers by the May 2, 2016 deadline as part of the standard EDGE data reporting process.
 - Are still responsible for meeting other data quality metrics not related to interim RI payments.

Outlier Analysis – Metric Calculation

- Both initial and final outlier reviews to determine eligibility for interim RI payment for the 2015 Benefit Year will use the same metrics, calculated as follows:

1. Percent of individual market enrollees receiving RI payment =

$$\frac{[RISR]<totalIncurredClaims>}{[RISR]<numberOfUniqueEnrolleeIDs>}$$

2. Average RI payment per enrollee receiving an RI payment =

$$\frac{[RISR]<estimatedRIpayment>}{[RISR]<totalIncurredClaims>}$$

Further Guidance on Data Quality

- CMS guidance on EDGE data quality standards and processes for the 2015 Benefit Year are located on the Center for Consumer Information and Insurance Oversight (CCIIO) website at:
https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/Evaluation_of_EDGE_Data_Submissions_for_2015_Benefit_Year_for_Interim_Reinsurance_Payments_and_Interim_Risk_Adjustment_S.pdf

Next Steps: Training Sessions

Upcoming Webinars & User Groups:

Date	Time	Topic
January 14, 2016	3:30 p.m. – 5:00 p.m. ET	Reinsurance Payment Calculation, including CSR MOOP Adjustment and Cross-Year Claims
January 21, 2016	3:30 p.m. – 5:00 p.m. ET	Reinsurance Payment Calculation Verification & Problem Solving
January 28, 2016	3:30 p.m. – 4:30 p.m. ET	Question and Answer Session (Q&A)

Knowledge Check Quiz

Knowledge Check #1

The formal appeals process is applicable to interim RI payments. Therefore, issuers can appeal any CMS decision regarding the interim RI payment amount.

- A. ☐ True
- B. ☐ False

Knowledge Check #1: Answer

The formal appeals process is applicable to interim RI payments. Therefore, issuers can appeal any CMS decision regarding the interim RI payment amount.

- A. ☐ True
- B. ☒ False

Knowledge Check #2

All issuers, regardless of outlier status or eligibility for interim RI payments, should continue to submit data to the EDGE server by the final _____ deadline as part of the standard EDGE server data reporting process.

- A. ☐ January 8, 2016
- B. ☐ January 29, 2016
- C. ☐ February 2, 2016
- D. ☐ May 2, 2016

Knowledge Check #2: Answer

All issuers, regardless of outlier status or eligibility for interim RI payments, should continue to submit data to the EDGE server by the final _____ deadline as part of the standard EDGE server data reporting process.

- A. ☐ January 8, 2016
- B. ☐ January 29, 2016
- C. ☐ February 2, 2016
- D. ☒ May 2, 2016

Knowledge Check #3

Issuers must meet the standard two (2) RI data sufficiency metrics to be eligible for interim RI payments.

- A. ☐ True
- B. ☐ False

Knowledge Check #3: Answer

Issuers must meet the standard two (2) RI data sufficiency metrics to be eligible for interim RI payments.

- A. ☒ True
- B. ☐ False

Questions?

To submit questions by phone:

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

Resources

Resources

Resource	Resource Link
U.S. Department of Health & Human Services	http://www.hhs.gov/
Centers for Medicare & Medicaid Services (CMS)	http://www.cms.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/
Registration for Technical Assistance Portal (REGTAP) - presentations, FAQs	https://www.REGTAP.info

Resources (continued)

Resource	Resource Link
Patient Protection and Affordable Care Act (ACA)	http://www.gpo.gov/fdsys/pkg/PLAW-111publ148/content-detail.html
Standards Related to Reinsurance, Risk Corridors, and Risk Adjustment under the ACA	http://www.gpo.gov/fdsys/pkg/FR-2011-07-15/pdf/2011-17609.pdf
HHS Notice of Benefit and Payment Parameters for 2014 and Amendments to the HHS Notice of Benefit and Payment Parameters for 2014	http://www.gpo.gov/fdsys/pkg/FR-2013-03-11/pdf/2013-04902.pdf
HHS Notice of Benefit and Payment Parameters for 2015 and Amendments to the HHS Notice of Benefit and Payment Parameters for 2015	http://www.gpo.gov/fdsys/pkg/FR-2014-03-11/pdf/2014-05052.pdf

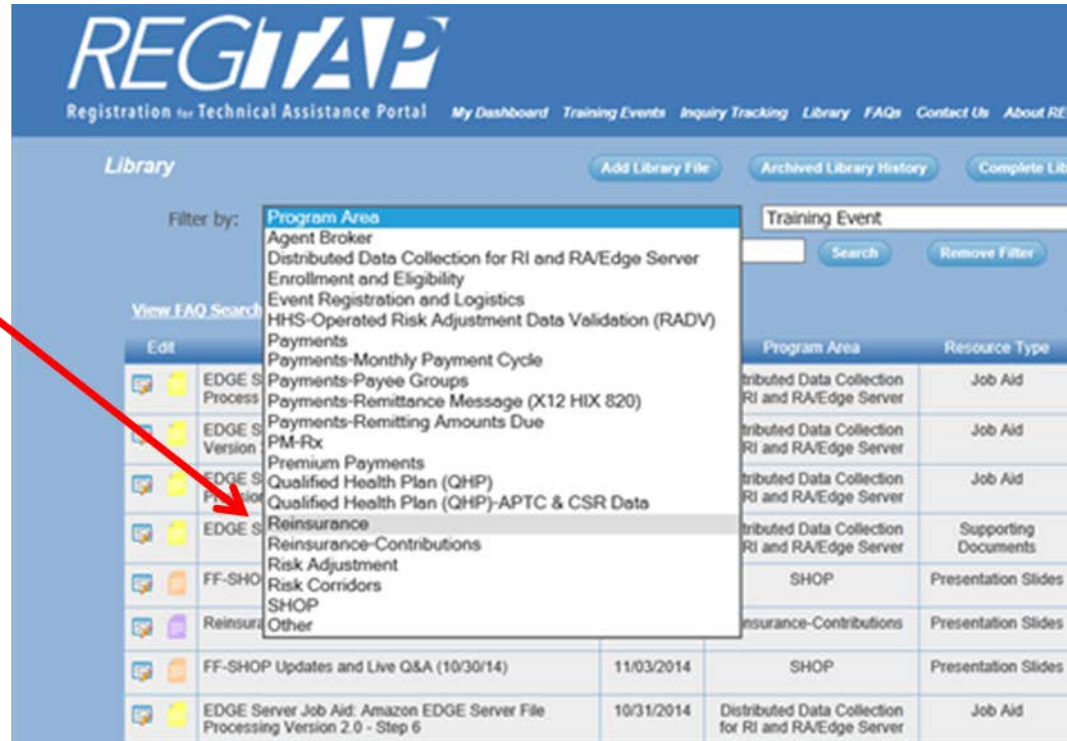
Resources (continued)

Resource	Resource Link
Standards Related to Reinsurance, Risk Corridors and Risk Adjustment under the ACA	http://www.gpo.gov/fdsys/pkg/FR-2012-03-23/pdf/2012-6594.pdf
Program Integrity: Exchange, Premium Stabilization Programs, and Market Standards; Amendments to the HHS Notice of Benefit and Payment Parameters for 2014	http://www.gpo.gov/fdsys/pkg/FR-2013-10-30/pdf/2013-25326.pdf
Health Insurance Market Rules, Rate Review Final Rule	http://www.gpo.gov/fdsys/pkg/FR-2013-02-27/pdf/2013-04335.pdf

Locating Reinsurance Documents in REGTAP

Stakeholders can access additional documents at <https://www.REGTAP.info> in the REGTAP Library.

Under Program Area, select 'Reinsurance'



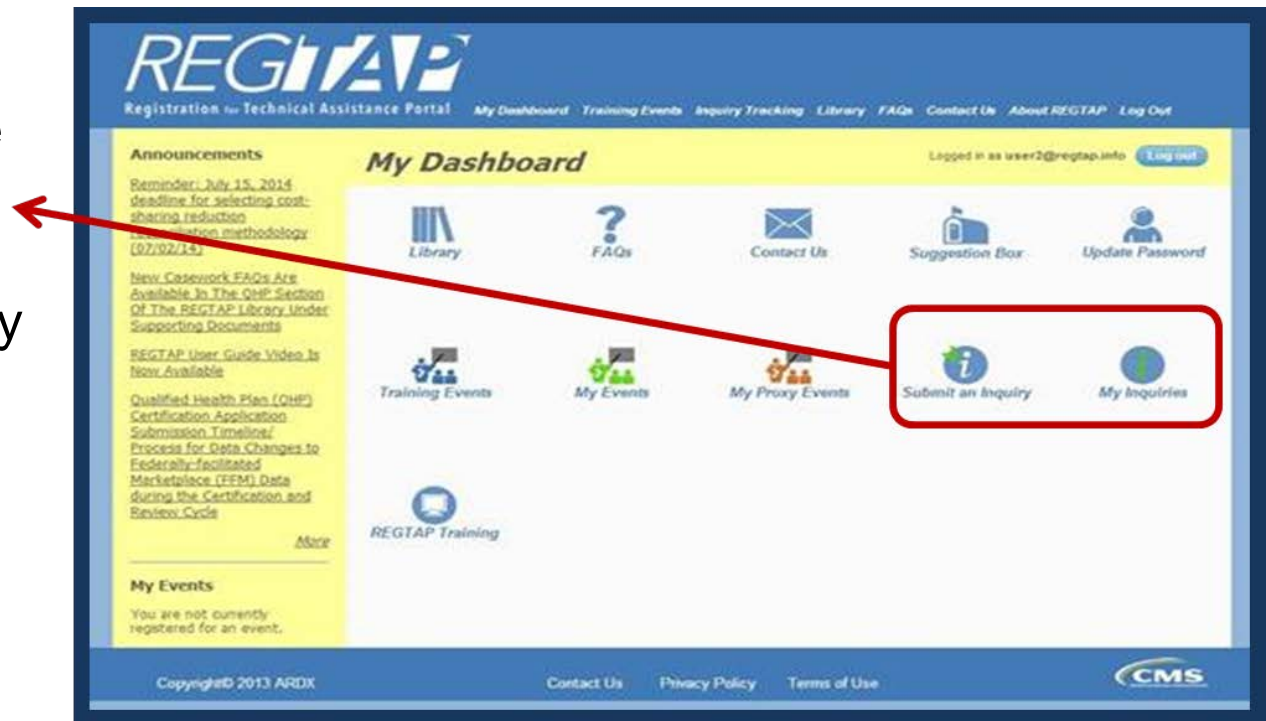
The screenshot shows the REGTAP Library interface. The 'Filter by: Program Area' dropdown menu is open, displaying a list of program areas. The 'Reinsurance' option is highlighted. A red arrow points from the text 'Under Program Area, select 'Reinsurance'' to the 'Reinsurance' option in the dropdown menu.

Program Area	Resource Type
Distributed Data Collection for RI and RA/Edge Server	Job Aid
Distributed Data Collection for RI and RA/Edge Server	Job Aid
Distributed Data Collection for RI and RA/Edge Server	Job Aid
Distributed Data Collection for RI and RA/Edge Server	Supporting Documents
SHOP	Presentation Slides
Reinsurance-Contributions	Presentation Slides
FF-SHOP Updates and Live Q&A (10/30/14)	Presentation Slides
EDGE Server Job Aid: Amazon EDGE Server File Processing Version 2.0 - Step 6	Job Aid

Inquiry Tracking and Management System (ITMS)

Stakeholders can submit inquiries to ITMS 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

Keyword/Phrase

Program Area

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 22 End Date 22

Primary and Secondary Category search available only when one (1) Program Area is selected.

Closing Remarks