

REINSURANCE PAYMENTS SERIES II: INTERIM REINSURANCE PAYMENTS

December 3, 2015



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

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Session Guidelines

- This is a 90-minute webinar session.
- This webinar will feature a live Q&A session following the content presentation.
- For questions regarding content, please submit inquiries to 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 Reinsurance-eligible plans (Marketplace and Non-Marketplace).
- Third Party Administrators (TPAs), Administrative Services-Only (ASO) contractors, and other Support Vendors.
- Amazon and On-Premise External Data Gathering Environment (EDGE) server issuers (Exchange and Non-Exchange).

Purpose

- The purpose of today's session is to provide issuers with an overview of the process that CMS follows to calculate and review interim reinsurance payments for the 2015 Benefit Year.

Interim Payments

Overview of Interim Payments

- On October 9, 2015, CMS announced they anticipate making early reinsurance payments for the 2015 Benefit Year in March of 2016.
- The interim payments will be calculated on accepted enrollment and claims data loaded onto issuers' EDGE servers as of February 1, 2016.
- The interim payment calculation will be based on the 2015 Benefit Year reinsurance attachment point and cap (\$45,000 attachment point and \$250,000 reinsurance cap).
- The interim reinsurance calculation will be based on a coinsurance rate of 25%.
- No sequestration or appeals holdback will be applied to the interim payment.

Overview of Interim Payments

(Continued)

- CMS will calculate final reinsurance payments for the 2015 Benefit Year based on all accepted enrollment and claims properly submitted to an issuer's EDGE server by the data submission deadline of May 2, 2016.
- The coinsurance rate for the final reinsurance payment for the 2015 Benefit Year, which under CMS' earlier guidance has been estimated at 50 percent, will be calculated based on the total contributions collected for the 2015 Benefit Year and the total requests for reinsurance payments (calculated on all accepted data properly submitted to an issuer's EDGE server by the data submission deadline of May 2, 2016).
 - o The interim payment will have no impact on the total amount of reinsurance payments that issuers receive for the 2015 Benefit Year.
 - o Interim payments will be deducted from issuers' final reinsurance payments.
 - o The interim payments are intended only to be an advance of a portion of issuers' total reinsurance payments for the 2015 Benefit Year.
- Issuers will not be able to appeal any CMS decisions regarding the interim payment amounts.

Data Reporting for Interim Payments

Data Reporting for the Interim Payments

- CMS is not making any changes to the current EDGE server reporting schedule for the 2015 Benefit Year.
 - The RI and RA Data Reporting Milestones for the 2015 Benefit Year can be found in the Registration for Technical Assistance Portal (REGTAP) Library.
- To ensure successful implementation of the interim payments, it is critical that all EDGE server issuers work towards meeting the existing January 8, 2016 EDGE server reporting deadline for submitting 90% of the data for the first three (3) quarters of the 2015 Benefit Year.
- Additionally, all EDGE server issuers will have to meet CMS' existing 2015 Benefit Year baseline data reporting deadline of December 9, 2015, in order for CMS to make the interim payments in a timely fashion.

Interim Payment Data Assessment

Interim Payment Data Assessment

- CMS will use the data from issuers' EDGE server Reinsurance summary reports to conduct two (2) rounds of data assessment prior to making the interim payments.
- The preliminary round will occur immediately after the January 8, 2016 data reporting deadline.
 - Issuers who are identified as having potential outlier interim payments will be given the opportunity to fix their data by February 1, 2016 or provide CMS with a justification of their data by February 10, 2016.
 - CMS will issue interim payments to issuers with acceptable outlier justifications.
- Any issuer who is identified as an outlier in the final data assessment analyses will be notified on February 12, 2016. Issuers will be given the opportunity to provide CMS a justification by February 26, 2016.
- Issuers should load the majority of their data for the interim payments by January 8, 2016 in order to be able to provide justifications for potential outlier data, if needed.

Next Steps

Next Steps

- All EDGE server issuers should be preparing for their EDGE server production data submissions (the first production data submission deadline is November 16, 2015).
- All EDGE server issuers should be prepared to have 90% of data from the first three (3) quarters of the 2015 Benefit Year loaded on their server by January 8, 2016.
- All EDGE server issuers should be preparing for the first two (2) baseline data submissions deadlines on November 4, 2015 and December 9, 2015.
- Issuers should contact their FM Service Representative at ffm.app.maint.EDGE@accenturefederal.com for technical assistance with EDGE data reporting.

Upcoming Webinars

Upcoming Webinars

Webinar/User Group Topic	Scheduled Event Date
Q&A Session	December 10, 2015
EDGE Reinsurance Outbound Reports: RISR & RIDE	December 17, 2015

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 (HHS)	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 Documents in REGTAP

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

Under Program Area, select 'Reinsurance'

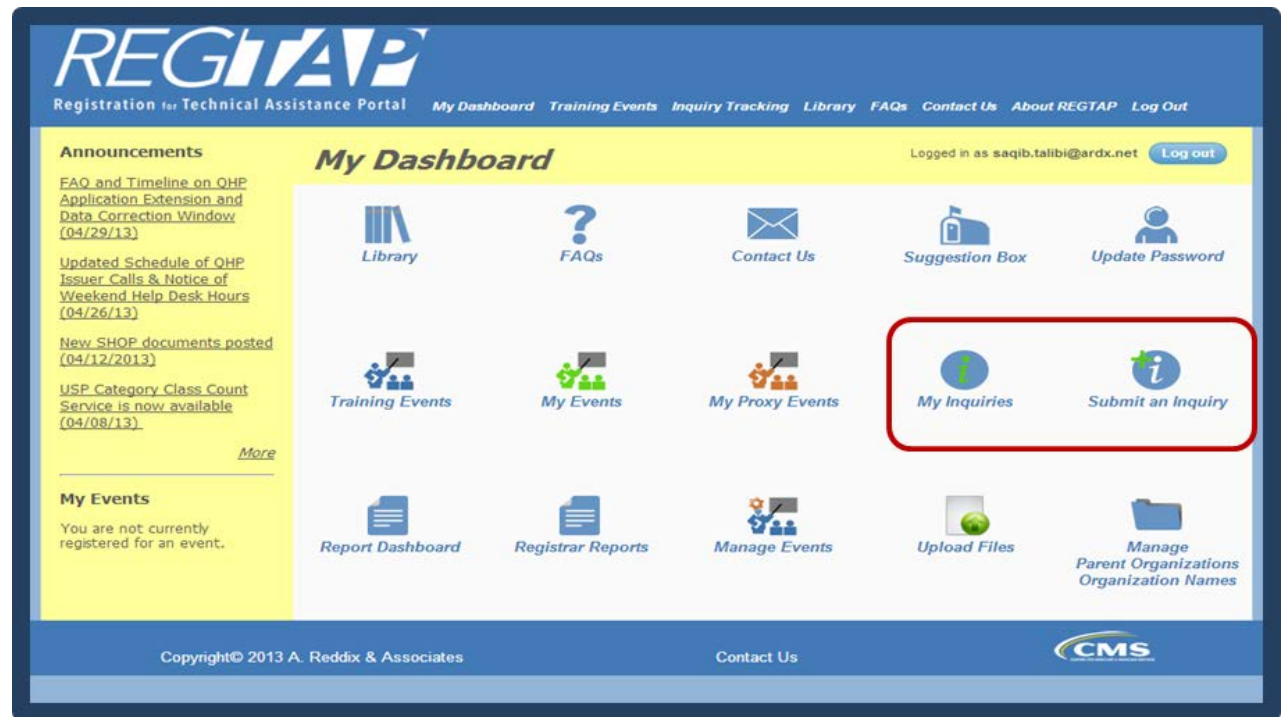
The screenshot shows the REGTAP Library interface. The top navigation bar includes links for Registration for Technical Assistance Portal, My Dashboard, Training Events, Inquiry Tracking, Library, FAQs, Contact Us, and About REGTAP. The main content area is titled 'Library' and features a 'Filter by:' dropdown menu. The 'Program Area' dropdown is open, showing a list of options including Agent Broker, Distributed Data Collection for RI and RA/Edge Server, Enrollment and Eligibility, Event Registration and Logistics, HHS-Operated Risk Adjustment Data Validation (RADV), Payments, Payments-Monthly Payment Cycle, Payments-Payee Groups, Payments-Remittance Message (X12 HIX 820), Payments-Remitting Amounts Due, PM-Rx, Premium Payments, Qualified Health Plan (QHP), Qualified Health Plan (QHP)-APTC & CSR Data, Reinsurance, Reinsurance-Contributions, Risk Adjustment, Risk Corridors, and SHIP. A red arrow points from the text 'Under Program Area, select 'Reinsurance'' to the 'Reinsurance' option in the dropdown menu. To the right of the dropdown, there is a 'Training Event' search bar with 'Search' and 'Remove Filter' buttons. Below the search bar, there is a table with two columns: 'Program Area' and 'Resource Type'. The table contains several rows of data, including 'Risk Adjustment' with 'Presentation Slides', 'Distributed Data Collection for RI and RA/Edge Server' with 'Job Aid', 'Distributed Data Collection for RI and RA/Edge Server' with 'Supporting Documents', 'Risk Corridors' with 'Presentation Slides', and 'Payments-Remitting Amounts Due' with 'Presentation Slides'.

Program Area	Resource Type
Risk Adjustment	Presentation Slides
Distributed Data Collection for RI and RA/Edge Server	Job Aid
Distributed Data Collection for RI and RA/Edge Server	Supporting Documents
Risk Corridors	Presentation Slides
Payments-Remitting Amounts Due	Presentation Slides

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



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

The FAQ Database allows users to search FAQs by FAQ ID, Keyword/Phrase, Program Area, Primary and Secondary categories, and Publish Date.

FAQ Search

FAQ ID Enter single FAQ ID or multiple IDs (1-10 or 15,18,87)

Keyword/Phrase

Program Area

Select All
ACA Financial Appeals
Agent Broker
Distributed Data Collection for RI and RA/Edge Server
Enrollment and Eligibility

FAQ Type:

Select All
Internal FAQ
Public FAQ

Source:

Select All
Internal Source
Third Party ITMS Source

FAQ Status:

Select All
Pending
Posted
Archive

Primary Category

Secondary Category

Benefit Year

Publish Date

Start Date

End Date

Search

Clear Search

Closing Remarks