

Frequently Asked Questions (FAQ) ABOUT POLICY-BASED PAYMENTS (PBP) TRANSITION FOR STATE-BASED EXCHANGES (SBE)

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Payment Cycle

Q1: *Once we transition to the PBP process, I understand that there is about a six week gap between the SBMI submission and the corresponding payments and reports (820/ Preliminary Payment Report (PPR)). For example, for the SBMI sent in June, what will the July payment cover?*

A1: In this example, the June SBMI submission will result in prospective payments to issuers around the 22nd of July for the July coverage month based on July enrollment as submitted to CMS in the early June. July payments will also include any retroactive adjustments for prior months' additions, changes, terminations, cancels, etc. Changes to payment to account for any changes to July enrollment that occurred after CMS receives the SBMI file in June will be made in future payment cycles. See sample calendar below.

PROD Cycle Milestones June 2019 – August 2019			
PROD Cycle Milestones	June Payment Cycle	July Payment Cycle	August Payment Cycle
SBE Submission Window	5/1 – 5/10	6/1 – 6/10	7/1 – 7/10
CMS Freeze Period	5/11 – 5/15	6/11 – 6/15	7/11 – 7/15
Transmit EPS Extracts to SBEs & Issuers for 2019	5/23	6/24	7/23
Transmit EPS Extracts to SBEs & Issuers for 2018	5/24	6/25	7/24
1A Manual Workbook Submission*	5/17 – 5/19	6/17 – 6/19	7/16 – 7/19
SBE Dispute Disposition Report (DDR+) transmitted	6/4	NLT 7/5	NLT 8/5
Transmit 820 PPR to SBEs & Issuers	NLT 6/15	NLT 7/15	NLT 8/15
Treasury Funds Transmittal	6/20	7/22	8/20
Transmit HIX 820 to Issuers	NLT 6/31	NLT 7/31	NLT 8/31
*If applicable			

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SBE Enrollment Reporting Office Hours and zONE Access

Q2: Can issuers attend the weekly SBE Enrollment Reporting Office Hours?

A2: No, instead CMS has a scheduled meeting with SBE issuers on the first Friday of each month where we present material appropriate for an issuer audience. Office hours is currently for SBEs only.

Q3: Which community do I need to be a part of in order to access the CMS SBE documentation?

A3: Past Office Hours presentations, Disputes Guidance, FAQs, etc. will be posted on the zONE Exchange Community site at: <https://zone.cms.gov/community/exchange-community>

Instructions for obtaining access to Exchange-Community:

Step 1: CMS Secure Portal Registration Process:

(Pre-requisite to CMSzONE Access)

1. Register for access at CMS Secure Portal Here: <https://portal.cms.gov/>
2. Click on “New User Registration” under CMS Secure Portal
3. Complete information and create User ID and Password

Step 2: CMS zONE Access Request:

1. Log in at <https://portal.cms.gov/> with your CMS Secure Portal credentials
2. Click on “Request Access Now”
3. Scroll down the page to find “zONE” and click on “Request Access”
4. Complete information and wait for confirmation email
5. Once confirmation email is received, user may log-in to CMSzONE

Step 3: CMSzONE Private Exchange-Community Access:

(After being granted CMS zONE access)

1. Log into zONE; click on the **Communities tab**
2. Click **Browse Private Communities**
3. Locate **Exchange-Community** and click **Join**
4. Click **Join Community**
5. Provide explanation of why you need access to this community

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SBMI

Q4: *Is it okay if the SBEs share the SBMI files with their issuers?*

A4: Yes, we encourage SBEs to share SBMI files with their issuers to facilitate research and communication on any discrepancies.

Q5: *What is the format of the Exchange Assigned Policy ID?*

A5: As stated in the Interface Control Document (ICD) found at: <https://zone.cms.gov/document/state-internal-control-document-icd> the Exchange Assigned Policy ID has a min length of one, max length of 50, and the data type of text. This ID is generated by the Exchange and uniquely identifies the enrollment group specific to the 14 digit Qualified Health Plan (QHP) ID. If you have further questions concerning the Exchange Assigned Policy ID, please email the SBMEnrollment@cms.hhs.gov mailbox.

Q6: *Should SBEs still send the advance CSR amounts to CMS on the SBMI, and if so, what multipliers should be used since updated multipliers were not published?*

A6: Yes, SBEs should continue to send advance CSR amounts to CMS on the SBMI. CSR multipliers have remained unchanged since 2015. Please use the 2015 multipliers. For any additional CSR questions, issues, or comments please contact the CSR Mailbox at the following email address: CSRreconquestions@cms.hhs.gov.

Note: CMS stopped making CSR payments in October 2017. See Memo from Eric Hargan, Acting HHS Secretary, to Seema Verma, CMS Administrator, dated Oct. 12, 2017 <https://www.hhs.gov/sites/default/files/csr-payment-memo.pdf>. CSR Payments are being zeroed out to reflect the government's non-payment for lack of an appropriation.

Q7: *Since the SBMI will continue to be sent for a period of time that overlaps with when future years SBMIs will be sent, will the submission window for both SBMIs be the same?*

A7: Yes, the submission window is the 1st day of the month through the 10th day of the month for all coverage year SBMI files.

Q8: *How long are SBEs required to transmit SBMI files for previous years?*

A8: CMS will continue to accept monthly submissions through the May submission (June payment cycle) in the year following the coverage year. Thereafter, CMS will allow for quarterly or other scheduled periodic submissions to account for Form 1095-A disputes and appeals in future years until a specified end date. This will account for any changes to SBE enrollment data based on the results of the

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Form 1095-A reporting process with IRS as well as appeals or other discrepancies between the enrollment and payment data, while minimizing the burden associated with monthly submission and processing. The diagram below shows the submission schedule for each plan year.

Payment Cycle	2018	2019		2020			2021				2022				
Jan		2019	2018	2020	2019	2018	2021	2020	2019	2018	2022	2021	2020	2019	2018
Feb															
Mar															
Apr															
May															
Jun															
Jul															
Aug															
Sep															
Oct															
Nov															
Dec															

Please refer to section 2.3.6 of the latest version of the ICD on zONE at the following link: <https://zone.cms.gov/document/state-internal-control-document-icd>

Q9: *How will CMS adjust payment for any changes to enrollment data (due to Form 1095-A disputes, consumer appeals, or ongoing reconciliation) that occur after each coverage year ends?*

A9: CMS will continue to accept SBMI submissions for up to seven years after the initial payment year to allow payments to adjust within the PPR and HIX 820 files in response to changes to SBE enrollment data.

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EPS Extract

Q10: *What is the maximum file size of the Enrollment and Payment System (EPS) Extract?*

A10: CMS has currently set the policy limit at 500,000 enrollments, which is roughly equivalent to a 1GB Extract file. Actual file size may vary based on policy complexity as well as Errors and Warning volume for the extract period. CMS at its discretion may adjust the policy count limit in order to control file size as needed and will communicate any planned adjustment in advance. Further guidance and documentation on the format of split files can be found within the updated ICD Document. For more details please go to zONE at: <https://zone.cms.gov/document/state-internal-control-document-icd> (ICD Section: 4.6)

Q11: *Why does CMS include errors and warnings on the EPS extract?*

A11: The errors and warnings give SBEs and issuers visibility into validation failures in the SBE's data submission to CMS. These failures may cause discrepancies between the SBE's enrollment data and the payment that issuers receive. The SBEs are responsible for reviewing these errors and correcting submissions for future payment periods.

Q12: *What does the field <OriginalSBMIExtractDateTime> indicate on each policy record of the EPS Extract?*

A12: This date should correspond to the date that the SBE extracted enrollment data from their system to populate the most recent SBMI submission. In other words, this should be the "as-of date" for each individual policy record. Note, this field is populated using the field <FileCreateDateTime> from the SBMI file's header. If the SBE provides an inaccurate date in this SBMI field, the EPS Extract will also reflect this inaccuracy, which will make it more difficult to identify timing issues.

Q13: *Is it possible that EPS Extract files would change from a full coverage year file to a change file as was done with the previous year's pre-audit files for the FFE?*

A13: No, CMS has no plans to transition the EPS extract to a change file.

Q14: *How do the issuers know if an SBE doesn't submit an SBMI?*

A14: Please use the <OriginalSBMIExtractDateTime> field in the header portion of the EPS Extract to identify the last date and time an SBMI was submitted.

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Q15: *Is it possible to continue to receive a prior year EPS Extract?*

A15: Yes, CMS will send (as of October 2019 payment cycle) the EPS Extract to all issuers each month for the current and all prior plan years regardless of if an SBMI was submitted to CMS for a prior plan year. We will work with SBEs and SBE issuers to determine a cutoff point for a prior plan year EPS Extract deliveries.

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Manual Payment Workbooks

Q16: *Why do we need to submit Manual Payment Workbooks if we're transitioning to PBP?*

A16: To ensure data consistency during the first few months of the transition year to SBE PBP, workbooks are used as a validation measure against the PBP data submitted by the SBE early in the year of SBE PBP transition.

Q17: *How long must SBE issuers submit workbooks after the transition to SBE PBP?*

A17: The duration of dual workbook and PBP submissions during the transition to PBP will ultimately be determined by the enrollment and payment data and decided individually between CMS and the SBE. CMS requires workbooks for at least three or four months to validate and verify APTC payments.

SBEs or SBE issuers that transition from manual workbooks to PBP are required to submit prior year workbooks until the summer of the transition year. Thereafter, SBEs or SBE issuers who would like to restate their prior year manual payment workbook data can do so when CMS re-opens that year's workbook restatement opportunity in the fall of the transition year. A final restatement opportunity will then be offered again the following fall. Any changes to the data after that point should be submitted through the Exceptions Process.

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Early-Year Payment Adjustments

Q18: *For the early-year payment adjustments for issuers in some SBE states, will initial enrollments appear on the payment reports?*

A18: No, initial enrollments will not appear on the payment reports. Only effectuated policies will be included in the payment reports. Any early-year payment adjustments made, including those based on SBE submission of initial enrollments to CMS on the SBMI, will be included on the payment reports as a lump-sum temporary manual payment adjustment.

Q19: *For early-year payment adjustments, are the manual payment adjustment codes the same for the two options (initials enrollments versus manual payment workbook)?*

A19: Yes, in both scenarios, the manual payment adjustment will have the payment type code of APTCMADJ.

Q20: *For the early year payment adjustments, will the manual payment workbook submitters also receive an Upper Bound adjustment?*

A20: “Upper Bound” is a term reserved for a formula we use to calculate payment adjustments based on Initial transactions sent by the SBE. If an issuer submits a manual payment workbook, they will not receive an upper bound adjustment. Rather, the issuer may receive a temporary manual payment adjustment which will be added to the PBP amount to align to the workbook amount. The amounts in the workbooks include only effectuated enrollments.

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Payment Disputes

Q21: *Does CMS require a response from issuers to the Dispute Response File?*

A21: No, a response from issuers to the Dispute Response File is not required. This file is sent from CMS to SBE issuers to indicate that the dispute file was received and processed successfully, and it outlines the disposition and detail codes assigned to the dispute. This file contains the responses to the disputes so that issuers can use it to research payment and enrollment discrepancies internally and with their SBEs. SBEs will receive a monthly SBE Payment Dispute Disposition Report (DDR+) that collects all issuer disputes for the month. No response to this report is required from SBEs either. Issuers can contact the Disputes Support Center at SBEERRSupportCenter@cognosante.com or by phone at (855) 591-7113 for assistance with Dispute submission or if they need guidance regarding the dispositions received.

Q22: *Should issuers submit CSR disputes through the SBE Payment Dispute process?*

A22: CMS stopped making CSR payments in October 2017. Therefore, there is currently not a need to submit disputes of the advanced CSR amounts shown on the PPR, which are backed out of total payment by a lump-sum manual adjustment each month. Issuers that have an automated dispute submission process to include advance CSR amounts may continue to submit these disputes without affecting the processing of other disputes. For any additional CSR questions/issues/comments please contact the CSR Mailbox at the following email address: CSRreconquestions@cms.hhs.gov.

See Memo from Eric Hargan, Acting HHS Secretary, to Seema Verma, CMS Administrator, dated Oct. 12, 2017 <https://www.hhs.gov/sites/default/files/csr-payment-memo.pdf>. CSR Payments are being zeroed out to reflect the government's non-payment for lack of an appropriation.

Q23: *When submitting a dispute that references a previously disputed payment or policy, does the issuer need to populate the Existing CMS Dispute Control Number field with the dispute control number from the original dispute?*

A23: No, it is not necessary to provide the Existing CMS Dispute Control Number field since it is not currently in use in the SBE payment dispute process. However, any value in this field could still cause a dispute to be rejected if the value violates rules for the field such as character limit.

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Q24: *CMS is requesting that SBE issuers re-submit outstanding payment disputes each month as long as issuers believe the payment to be discrepant. When re-submitted disputes are processed, will they get rejected and receive a “duplicate” dispute disposition?*

A24: No. Re-submitted disputes are processed against the most recent data in the EPS database and receive a disposition regardless of the previous submission history. The new disposition could be the same as previously submitted disputes or different, depending on the most recent SBE submitted data, but it will not receive the rejected disposition SR4 Duplicate Dispute Record. The SR4 disposition is only used when the same policy has multiple disputes on the same dispute form.

Persistent disputes are enrollment discrepancies that are identified through the disputes process that have been previously identified by an earlier month’s disputes. Persistent disputes may indicate a policy or group of policies that are not being resolved through normal issuer and SBE reconciliation processes. CMS tracks these persistent enrollment discrepancies and attempts to provide support and technical assistance if requested.

Q25: *Now that CMS is updating payment dispute dispositions at the end of the month before transmission to SBEs, is there a window of time for dispute submission that allows issuers to avoid receiving updated dispute dispositions on the Semi-Monthly Report?*

A25: Yes, if issuers submit disputes between the monthly transmission of the EPS Extract and the last business calendar day of the month, their disputes will be processed using the most recent SBE SBMI data submission. This ensures that no dispositions will need updating before transmission to SBEs on Dispute Disposition Reports (DDR+) and therefore there will be no updated dispositions that need to be sent to the issuers via the Semi-Monthly Report.

Q26: *Is there a reference ID in disputes responses that could indicate if it was a recurring dispute?*

A26: No, the Issuer Dispute Response file does not have a field that identifies if a dispute is recurring.

The DDR+ report that is delivered to the SBEs shows all the disputes received within the month has three additional column fields that outline if the dispute is persistent, type of persistence (inferred or re-submitted) and the date of the original dispute that was submitted to CMS.

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Q27: *What do we put for premium amount if the premium is off by \$.01 but we are disputing the APTC amount? Do we leave it blank?*

A27: We recommend leaving the premium amount blank in this scenario since a difference between SBE and issuer amounts of two cents or less, which could result from rounding, is not considered a discrepancy. If the APTC value is the only discrepant amount, with a difference of more than two cents, then the other financial fields (Premium and CSR) are not required.