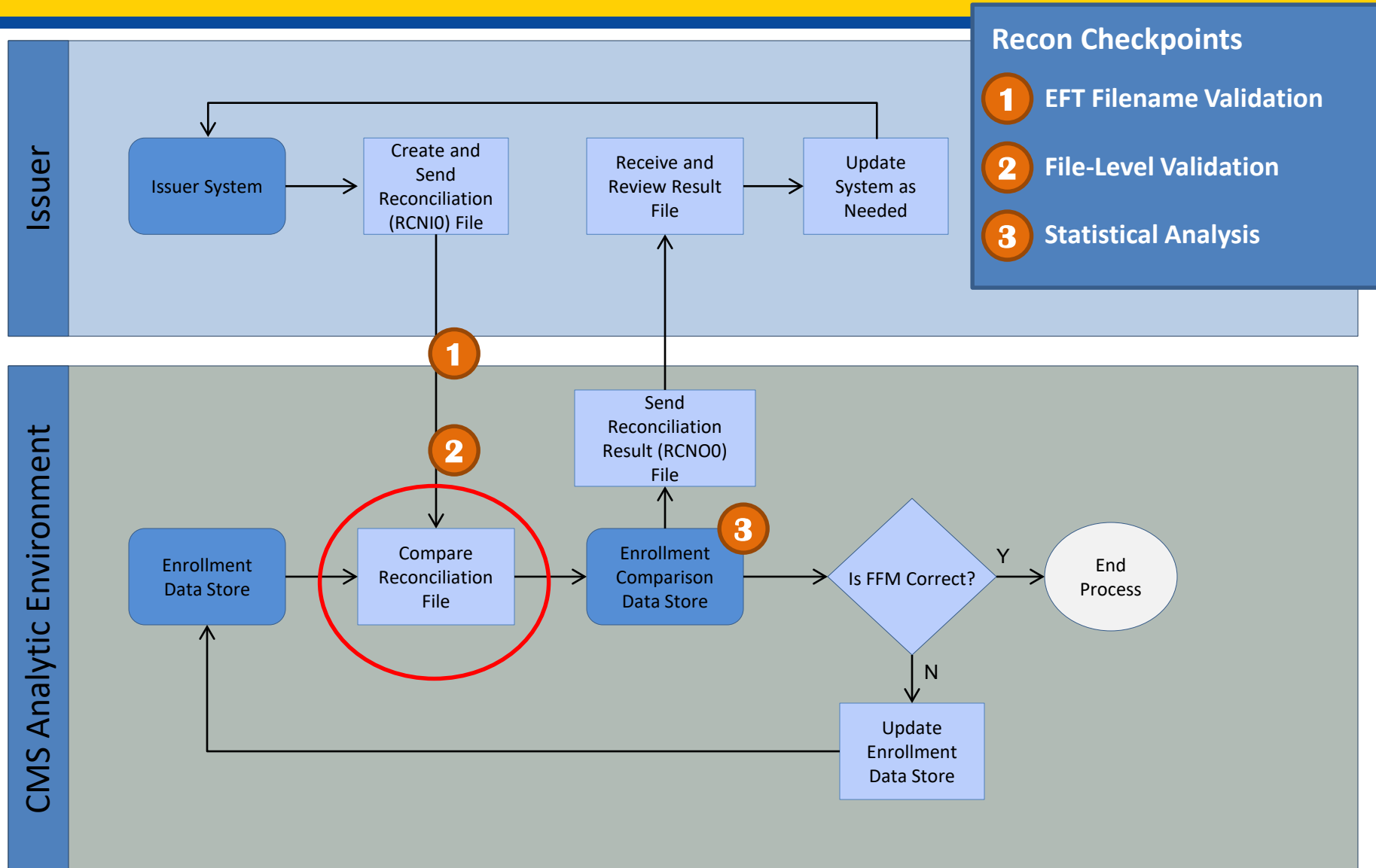


Recon 301: Reconciliation Processing, RCNO Files, Statistical Analysis

- 
- ✓ ***Reconciliation Processing***
 - ✓ Record Matching Logic
 - ✓ Footnotes
 - ✓ Field-Level Comparison
 - ✓ Discrepancy Resolution Rules
 - ✓ ***Statistical Analysis***

October 23, 2019

High-Level Reconciliation Approach



Outbound Reconciliation (RCNO0) File Overview

- The file specification for the Outbound Enrollment Data Reconciliation File is available on zONE at:
<https://zone.cms.gov/document/enrollment-data-reconciliation>
- The RCNO0 echoes back the information submitted by the Issuer on the inbound RCNI0 file, *plus*:
 - Record-level flags (FTI Issuer Overall Record Flag) to show the results of record and field-level matching (where applicable)
 - FFM values used in comparison with Issuer values where records were successfully matched
 - Field-level flags to show matching results and discrepancy resolution actions (on records that were successfully matched only)
 - Administrative fields

Record Matching

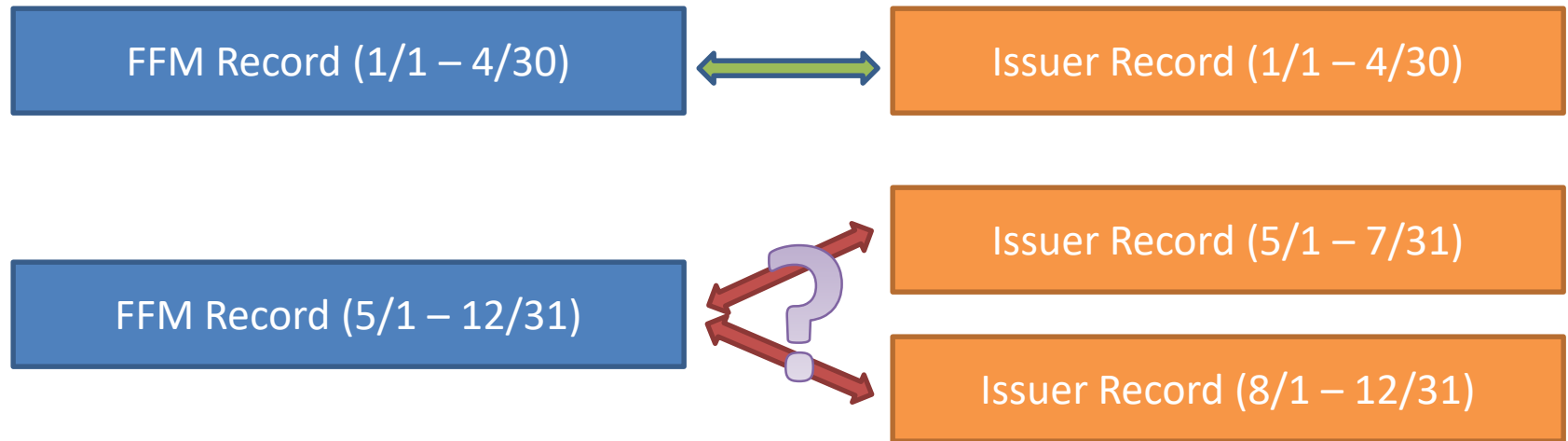
- CMS's Enrollment Reconciliation algorithms use the following process to match Issuer enrollment records to FFM enrollment records
 - Establish Pairs of Records between FFM and Issuer data
 - **Quattro Key:** HIOS ID, Line of Business, Exchange-Assigned Subscriber ID, Exchange-Assigned Member ID
 - Demographic data is also used to identify potential matches where Quattro Key information is missing or mismatched
 - Execute simple one-to-one matches
 - One-to-one matches occur when there is only one record for a member on the Issuer side and one record for the same member on the FFM side
 - Resolve complex matches
 - If there is more than one record on one or both sides, the matching algorithm will look at other elements, such as Benefit Start Date, QHP ID and Total Premium Amount to find the best match for each record

Reconciliation: Record-Level Flags

- Upon completion of record-level matching (and field-level matching where applicable), a record-level flag will be assigned as follows:

Flag	Definition	Record Includes Field-Level Flags?
M	Exact one-to-one match; all compared fields match	Yes
C	One-to-one match; record already cancelled or to be cancelled per Issuer Initial Premium Paid Status indicator	No
N	One-to-one match; at least one field marked for Issuer update – may also have one or more fields marked for FFM update	Yes
Z	One-to-one match; no Issuer updates required, but at least one field marked for FFM update	Yes
E	One-to-one match; at least one field marked for Issuer update and one or more fields marked for FFM update – however, due to uneven matching of records for the individual member, FFM updates will not be applied in this cycle	Yes
P	One-to-one match; no Issuer updates required, but one or more fields marked for FFM update – however, due to uneven matching of records for the individual member, FFM updates will not be applied in this cycle	Yes
Q	Updates to Record Suppressed; updates will not be made to the FFM despite any field-level discrepancies flagged for FFM update due to a data condition specified in the Footnotes field	Yes

Importance of Record Alignment Between Issuer and FFM Data



- Where the Issuer and FFM have a different number of records for the same period of coverage, the reconciliation algorithms are unable to evenly match the records and updates cannot be made to FFM data
- Wherever possible, Issuers should work to resolve instances where their extract process generates a different number of records for a given policy than what is on the FFM side

Reconciliation: Record-Level Flags

- Record-level flags listed below indicate lack of a good even-sided match; a high number of any of these flags may result in statistical validation failure of your Enrollment Reconciliation File:

Flag	Definition	Record Includes Field-Level Flags?
F	Unmatched FFM Record – no matching Issuer record for the individual member	No
G	Unmatched Leftover FFM Record – after determining best match for the for the individual member, an unmatched record remains on FFM side with no additional Issuer records	No
I	Unmatched Issuer Record – no matching FFM record for the individual member	No
R	Unmatched Leftover Issuer Record - after determining best match for the individual member, an unmatched record remains on Issuer side with no additional FFM records	No
W	Unresolved many-to-many; algorithm cannot determine the best match between multiple Issuer and FFM records for the same individual member	No
L	Unresolved many-to-one/one-to-many; algorithm cannot determine the best match for the single FFM or Issuer record amongst the multiple records on the other side	No
D	Exact duplicate record submitted by Issuer	No
U	Unprocessable record – data issues exist within the record causing suppression of the record from matching	No

Special Case: Unmatched Record Flag V

- **Record-Level V Flags**

- Beginning with the implementation of M834, all segments associated with an Exchange-Policy ID are included on the RCNO File – even if there is no active/effectuated coverage associated with a given segment
- If an Issuer only sends the record(s) for any segment reflecting active/effectuated coverage, any additional segments on the FFM for that Policy ID (even if cancelled) will appear on the RCNO File with one of the following flags:
 - If the record is already cancelled on the FFM, it will have a record-level flag **C**
 - If the record is active on the FFM, it will have a record-level flag **V**
 - V records do not require any action by the Issuer and are ignored in terms of statistical analysis; the V indicates that these records are a data artifact and will be cancelled on the FFM as the Issuer did not submit any coverage for that segment on the RCNI File
 - Issuers are encouraged to review V records to ensure the cancellation is appropriate and not a symptom of a technical issue with the RCNI File

V Flag Example

- **Example:** An Issuer receives an M834 with a change effective 6/1/2020 for coverage starting 1/1/2020, then later terminates coverage back to 5/31/2020 due to non-payment
 - The Issuer reports this termination on the RCNI File by sending only the first segment ending 5/31/2020

RCNO Before Termination Applied

FFM Benefit Start Date	Issuer Benefit Start Date	FFM Benefit End Date	Issuer Benefit End Date	FFM Initial Prm Paid	Issuer Initial Prm Paid	Record Flag
1/1/2020	1/1/2020	5/31/2020	5/31/2020	Y	Y	M
6/1/2020	-	12/31/2020	-	Y	-	V

RCNO After Termination Applied

FFM Benefit Start Date	Issuer Benefit Start Date	FFM Benefit End Date	Issuer Benefit End Date	FFM Initial Prm Paid	Issuer Initial Prm Paid	Record Flag
1/1/2020	1/1/2020	5/31/2020	5/31/2020	Y	Y	M
6/1/2020	-	6/1/2020	-	C	-	C

RCNO0 File Structure and Row Attributes

- FFM values and field-level flags are included **only** on matched records with a record-level flag of ***M, E, N, P, Q or Z***
- For each enrollment data field submitted by the Issuer, the following three fields will be returned on the RCNO0 file:
 - **FFM** [Field Name]
 - The FFM value for the field *or* the correct value as determined by application of business rules
 - **Issuer** [Field Name]
 - The Issuer value as submitted on the RCNIO file
 - **FTI** [Field Name] Flag
 - The field-level flag indicating if the values match and providing resolution rules for those that do not

RCNO0 Administrative Fields

- FFM Administrative Fields
 - FFM Internal Inventory Record Number
 - Unique record identifier for each record in the RCNO0 file; can be used to identify a specific record requiring research/resolution
 - FTI Internal Batch ID
 - Identifies the specific reconciliation run in which the file was processed
 - Enrollment Group Size
 - Shows the enrollment group size associated with the benefit coverage as calculated by the reconciliation process
 - A mismatch identified in enrollment group size will prevent updates from being made through automated reconciliation
 - Footnotes
 - Provides additional information about the nature of the record (examples to follow)

Footnotes: #MERGE

- **#MERGE**

- When a consumer returns to the Marketplace and makes an update which results in a change to financial eligibility, a new segment is created on the FFM
- If there is a change to eligibility but no change to the Applied APTC or other financial attribute associated with that enrollment, the Issuer will not get an 834 and would not have reason to create distinct coverage spans in their system
- A record with the footnote **#MERGE** is the result of these multiple records on the FFM side being “merged” into a single record on the RCNO file for better matching to Issuer records
 - This is the only scenario where FFM records are “merged” in Enrollment Reconciliation
 - **Please Note:** this does not impact the way these records are conveyed on the Pre-Audit File; to communicate the state of the data on FFM, each distinct segment appears on the Pre-Audit File

#MERGE Example

- **Example:** Audrey enrolls effective 1/1/2020 with a \$550 Total Premium Amount which is fully subsidized by \$550 of Applied APTC
 - In March, Audrey returns to the marketplace to update their financial information, resulting in a change of APTC eligibility from \$580 to \$600 per month
- As this “Maximum APTC” is above the Applied APTC and there is no change to Total Premium, there will be no change to the enrollment from the Issuer’s perspective and no 834 generated

- ***Pre-Audit File***

Member	Exchange-Assigned Policy ID	Benefit Start Date	Benefit End Date	Applied APTC
Audrey	5551234	1/1/2020	3/31/2020	\$550
Audrey	5551234	4/1/2020	12/31/2020	\$550

No “merging”
done on
Pre-Audit

- ***RCNO File***

FFM Benefit Start Date	Issuer Benefit Start Date	FFM Benefit End Date	Issuer Benefit End Date	FFM Applied APTC	Issuer Applied APTC	Footnotes	Record Flag
1/1/2020	1/1/2020	12/31/2020	12/31/2020	\$550	\$550	#MERGE	Z

Footnotes: #GAP

- **#GAP**

- The **#GAP** value in the Footnotes field indicates that applying the update flagged on either the benefit coverage or financial dates on the RCNO record would result in a gap in coverage for that individual that does not already exist on the FFM
- As gaps in coverage cannot be created through automated reconciliation, updates will be suppressed for *all records* associated with that member for that HIOS ID

- **RCNO File**

FFM Benefit Start Date	Issuer Benefit Start Date	FFM Benefit End Date	Issuer Benefit End Date	FFM Applied APTC	Issuer Applied APTC	Footnotes	Record Flag
1/1/2020	1/1/2020	6/30/2020	6/30/2020	\$550	\$550	#GAP	Q
7/1/2020	8/1/2020	12/31/2020	12/31/2020	\$400	\$400	#GAP	Q

- In this example the Issuer is sending a change on the start date of the second segment which would create a gap in coverage from 7/1-7/31; due to this potential gap all updates for these records will be suppressed

Footnotes: #OVERLAP

- **#OVERLAP**

- The **#OVERLAP** value in the Footnotes field indicates that applying the update flagged on the benefit coverage dates will result in overlapping or duplicate coverage for one or more members of the enrollment group on the FFM
- This will happen if the Issuer file is requesting an earlier start date or later end date than is reflected on the FFM and coverage already exists with the same HIOS ID or a different HIOS ID that would create a duplicate or overlapping coverage scenario

- ***RCNO File (Overlap Within HIOS Example)***

QHP ID	FFM Benefit Start Date	Issuer Benefit Start Date	FFM Benefit End Date	Issuer Benefit End Date	Footnotes	Record Flag
12345TX001000101	1/1/2020	1/1/2020	5/31/2020	5/31/2020	#OVERLAP	Q
12345TX004000401	6/1/2020	4/1/2020	12/31/2020	12/31/2020	#OVERLAP	Q

- In this example, Issuer 12345 is sending a change on the start date to 4/1 for the second span which would cause an overlap from 4/1-5/31; updates will be suppressed for this member for HIOS 12345 due to the potential overlap

Footnotes: #SPANSHORT

- **#SPANSHORT**

- The **#SPANSHORT** value in the Footnotes field indicates that applying the update flagged on either the benefit coverage or financial dates on the RCNO record would result in reducing coverage reflected on the FFM to less than the total coverage submitted by the Issuer on their RCNI file for the member
- This scenario typically occurs when the Issuer submits multiple active records for a member where there is only one on the FFM side, and one of the Issuer's active records is matched to an FFM cancel
- **RCNO File**

FFM Benefit Start Date	Issuer Benefit Start Date	FTI Start Date Flag	FFM Benefit End Date	Issuer Benefit End Date	FTI End Date Flag	Footnotes	Record Flag
1/1/2020	1/1/2020	M	12/31/2020	6/30/2020	F	#SPANSHORT	Q
1/1/2020	7/1/2020	F	1/1/2020	12/31/2020	F	#SPANSHORT	Q

- In this example the Issuer is sending two periods of coverage where the FFM has only one 1/1-12/31; the end date flag on the first record suggests that coverage would be terminated on the FFM effective 6/30 – however as the Issuer is sending coverage for the full year that update will be suppressed to avoid removing a legitimate coverage span

Footnotes: #NLE

- **#NLE**
 - To emphasize where a reinstatement or extension of an end date cannot be made due to an eligibility issue, records that have been cancelled or terminated due to NLE where the Issuer provides an end date ***later*** than the FFM will be flagged **#NLE** in the Footnotes field
 - If the policy has been cancelled or terminated due to the NLE, the record will also reflect a **3** in the Cancellation Source or Termination Source field
 - In some cases, an NLE may only remove subsidy eligibility but may leave the enrollee(s) otherwise eligible for coverage; in those cases there will not be a **3** in the Cancellation Source or Termination Source field, but the record with APTC and/or CSR may not be eligible for an extension of the end date

#NLE Example

- **Example:** Nathan enrolls effective 1/1/2020 with a \$450 Total Premium Amount and \$250 of APTC
 - Nathan loses APTC eligibility due to failure to reconcile effective 6/1/2020
 - In June, the Issuer submits a single record on the RCNI File that does not reflect the loss of APTC
- ***Pre-Audit File***

Member	Exchange-Assigned Policy ID	Benefit Start Date	Benefit End Date	Total Premium Amount	Applied APTC
Nathan	7774321	1/1/2020	3/31/2020	\$450	\$250
Nathan	7774321	6/1/2020	12/31/2020	\$450	\$0

- ***RCNO File***

FFM Benefit Start Date	Issuer Benefit Start Date	FFM Benefit End Date	Issuer Benefit End Date	FFM Applied APTC	Issuer Applied APTC	Footnotes	Record Flag
1/1/2020	1/1/2020	5/31/2020	12/31/2020	\$250	\$250	#NLE	Q
6/1/2020		12/31/2020		\$0			G

Reconciliation: Field-Level Discrepancy Rules

- Once a one-to-one match is found for an Issuer and FFM record, a field-level comparison is done to determine updates needed to FFM and/or Issuer data
- Field-level matching is done for any record with a Record-Level Flag value of ***M, E, N, P, Q or Z***
 - **NOTE:** No other record types will have field-level flags assigned
- Based on established CMS business rules, field-level discrepancies are assigned a flag to indicate the appropriate action required to resolve the discrepancy:

Flag	Definition
M	Match, no action required
D	Did not compare per business rules
I	Non-match, Issuer to update to FFM value
F	Non-match, FFM to update to Issuer value
L	Both Issuer & FFM to update to listed FFM value

Flag	Definition
U	Unprocessable, Issuer to correct file
G	FFM to update based on ER&R determination
J	Issuer to update based on ER&R determination
K	Both FFM and Issuer to update based on ER&R determination

Sample Field-Level Comparison Results

– APTC Amount

FFM APTC Amount	Issuer APTC Amount	FTI APTC Amount Flag
183.00	0.00	I

– QHP ID

FFM QHP ID	Issuer QHP ID	FTI QHP ID Flag
12345TX001000101	12345TX001000401	I

– Initial Premium Paid Status

FFM Initial Premium Paid Status	Issuer Initial Premium Paid Status	FTI Initial Premium Paid Status Flag
N	Y	F

Reconciliation: Field-Level Resolution Rules

Fields where FFM may accept and update FFM records with Issuer data where a discrepancy is found (when Issuer file is accepted for updates per statistical analysis):

Field Name
Mailing Address
Gender
Issuer Assigned IDs
Tobacco Use Status
Total Premium Amount

Field Name
Initial Premium Paid Status
Benefit Start/End Date
Financial Effective/End Dates
Agent/Broker Information
Cancellation/Termination Reason

Reconciliation: Field-Level Resolution Rules

Fields where Issuer may be required to update to FFM data where a discrepancy is found:

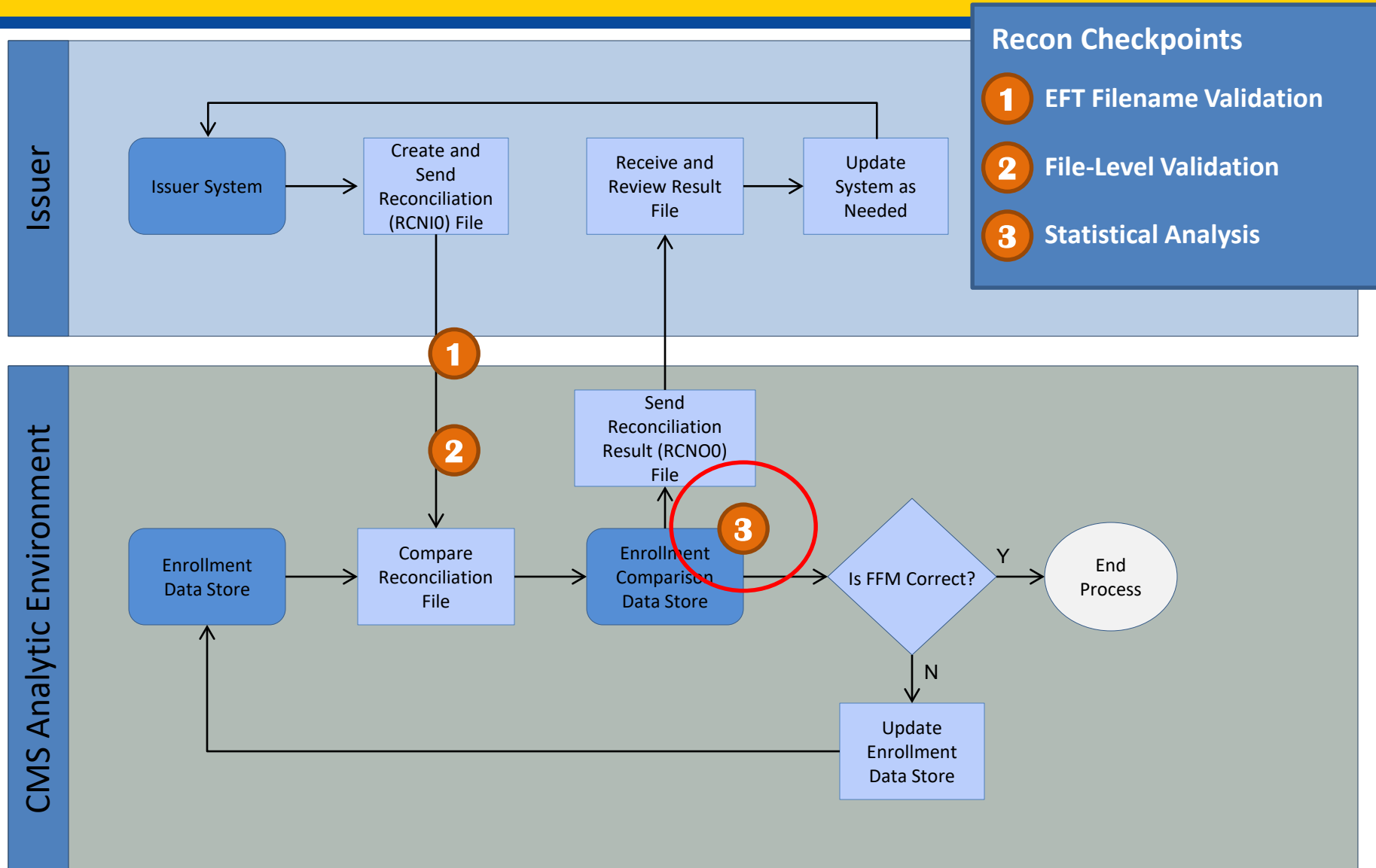
Field Name
QHP ID
Date of Birth
SSN
Subscriber Indicator
Applied APTC Amount
CSR Amount
Total Premium Amount
Benefit End Date
Financial End Dates
Cancellation/Termination Reason

Reconciliation: Field-Level Resolution Rules

Fields where no action will currently be taken on any discrepancies noted:

Field Name
Relationship to Subscriber
Exchange-Assigned Policy ID
Residential Address
Residential County Code
Rating Area
Telephone Number
Individual Member Premium Amount
End of Year Termination Indicator
Paid Through Date

High-Level Reconciliation Approach



Statistical Analysis

- Following each Enrollment Data Reconciliation processing cycle, CMS compiles and reviews statistics for all Issuers regarding record-level and field-level matching
- These metrics are compared against established statistical baselines to identify outliers
- To avoid potentially updating FFM data with inaccurate data, certain updates may be “suppressed” based on the results of this statistical analysis
- Issues identified in statistical analysis may require changes to an Issuer’s file creation process to ensure submission of accurate data; other issues may be resolved through verification of accuracy by the Issuer or discrepancy resolution through the ER&R Contractor

Record-Level Matching

- One-to-Many/Many-to-Many (**L, W**) – A high rate of unmatched one-to-many or many-to-many records indicates that Issuer file may have multiple records for a single member that are indistinguishable
 - High-matching Issuers typically have **less than 0.1%** unmatched one-to-many or many-to-many records
- Unmatched Issuer Records (**I, R**) – A high rate of Unmatched Issuer Records may be due to one of the following issues:
 - Missing or incorrect Exchange-Assigned IDs; records without a valid Exchange-Assigned Member ID and Subscriber ID often result in an Unmatched Issuer (**I**) Record – this will also result in a corresponding Unmatched FFM (**F**) Record
 - Multiple contiguous records for the same member without a change in QHP ID, financials or enrollment group; if the Issuer submits multiple records for the same member and one (or more) is matched, the others will become Leftover Unmatched Issuer Records (**R**)
 - High-matching Issuers typically have **less than 0.2%** total Unmatched Issuer Records

Record-Level Matching

- Unmatched FFM Records (**F, G**) – A high rate of Unmatched FFM Records indicates the Issuer may not be accounting for the full enrollment population sent by the FFM, or may not be reflecting changes to coverage or financials in their file submission
 - High-Matching Issuers typically have **1.0%** or less Unmatched FFM Records
- Unprocessable (**U**) – Unprocessable records are those with significant data anomalies that prevent processing of the record; this may be due to prior or future year financial dates, invalid characters in date or numeric fields, or dates that are not properly aligned (ex. Total Premium End Date greater than Benefit End Date)
 - High-matching Issuers will have a minimal number of unprocessable records

Record-Level Matching

- Cancels (**C**) – Cancels represent the percentage of records submitted with an Initial Premium Paid Status of **C** (or where the subscriber of the enrollment group is **C** for a dependent)
 - Typically, we will reach out to Issuers to verify any incremental cancellation rates above **10%** (i.e. where applying cancels from the RCNI file would result in cancellation of 10% or more of the currently active population for that HIOS and plan year)
 - It is recommended that Issuers intending to apply a high rate of cancellations through reconciliation e-mail to recon_issuer_support@bah.com along with file submission indicating their expected cancellation rate to avoid cancels being suppressed pending verification
- Total Match + Cancel (**M, E, N, P, Z, Q, C**) – This indicates the total percentage of “good matches” within the file; anything under 85% will cause full updates to be suppressed and high-matching Issuers are typically well above **95%**

Statistical Analysis: Field-Level Matching

- Following analysis of record-level matching, a review of field-level flag metrics is completed to identify any unusual discrepancy rates on various elements
- Extremely high discrepancy rates typically indicate an issue in the file extract process; Issuers will be asked to correct their extract prior to the next cycle
- In other cases, Issuers may be asked to review unusually high discrepancy rates and verify their accuracy in order to have the updates applied to the FFM

Field-Level Matching – Common Issues

- Common issues identified in field-level matching include:
 - High rate of cancellations submitted in error
 - Applied APTC mismatches as Issuer records do not reflect changes present on FFM records
 - High rate of date mismatches caused by sending a “Paid Through Date” in place of a true Benefit End Date
 - QHP ID mismatches caused by mapping issues
 - High rate of end date mismatches due to a high rate of terminations (Issuer to verify termination rate to resolve issue)
 - Start and end date mismatches where FFM has a mid-month effective or end date and partial month coverage is not conveyed

Results E-Mails

- Following statistical analysis, and in conjunction with distribution of RCNO files to Issuers, messaging will be sent to Issuers indicating the success or suppression status of the files from their organization
- Issuers that have had updates suppressed will also receive an e-mail detailing the potential issues identified during statistical analysis

- QHP Identifier (1.4% vs a median of 0.22%); **new issue in this run and the ONLY reason your file failed statistical validation.** About half the mismatches are at the CSR Variant level (last 2 characters of the 16 character QHP ID). Please ensure the entire 16-character QHP ID, including CSR Variant, is being conveyed correctly in your file. If you believe you have the correct QHP ID and FFM needs to be updated, please send to the ER&R contractor using the Dispute Resolution form available on zONE.

FFM Updates Based on Results of Statistical Analysis

- Following the retirement of the Mass Effectuation process earlier in 2019, each individual HIOS ID is either approved for all updates to FFM data based upon reconciliation results (i.e. “full field-level updates”) or all updates are suppressed for that HIOS ID
 - If updates are suppressed, no updates (including cancellations and effectuations) will be made to the FFM based upon that month’s reconciliation process for that HIOS ID
 - Issuers should carefully review the issues documented that led to file suppression and ensure they are addressed prior to the next cycle in order for updates to be applied

2020 Prep: Updated Recon Technical Contacts Needed

Enrollment Data Reconciliation Technical Contacts

- Reconciliation Technical Contacts for your organization will be contacted by CMS resources in regard to any technical issues identified in Issuer-submitted Inbound Reconciliation (RCNI) Files
- Please designate a primary and secondary contact or group e-mail address to ensure any issues can be addressed in a timely fashion
- To submit the Enrollment Data Reconciliation Technical Contacts to CMS:
 - Send an e-mail to the Help Desk (cms_feps@cms.hhs.gov) with the subject line “RECONCILIATION – TECHNICAL CONTACTS”
 - Please include the name, e-mail address, and business telephone number for each contact provided
- ***New Issuers should submit contacts no later than Thursday, October 31st***