

State-based Marketplace Annual Reporting Tool

Introduction

The Affordable Care Act (ACA) established State-based Marketplaces (SBMs) to provide individuals and small business employees with access to health insurance coverage beginning January 1, 2014. The ACA provides States with flexibility in the design and operation of their Marketplaces to best meet the unique needs of their citizens and insurance markets.

The Centers for Medicare & Medicaid Services (CMS) will work collaboratively with SBMs as these Marketplaces transition from implementation to operations and maintenance. CMS will also provide oversight and monitoring of SBMs to ensure adequate operational systems. Effective and efficient oversight of Marketplaces will help ensure that affordable and quality health coverage is available to all Americans through monitoring, reporting, and oversight of financial activities and Marketplace activities. These mechanisms not only will ensure that consumers are properly given choices of available coverage and receive advanced premium tax credits (APTCs) or cost-sharing reductions (CSRs), if they qualify, but also that Marketplaces are meeting the standards of the ACA in a transparent manner.

CMS' oversight of SBMs is designed to promote such transparency and to ensure compliance with Marketplace-related standards while preserving states' traditional roles in overseeing the general insurance markets. To that end, there are numerous regulatory requirements described in the Exchange Final Rule (CMS -9989-F), the Program Integrity Rule (CMS-9957-F; CMS-9957-F2; CMS-9964-F3), and other regulatory guidance with which SBMs must comply. Regulatory requirements include submitting reports such as an annual financial statement and eligibility and enrollment reports. Other regulatory requirements address security and privacy safeguards, stakeholder consultations, and funding obligations for SBM operations that are required by regulation to begin reporting in 2015.

In order to meet these reporting and auditing requirements, SBMs must submit a State-based Marketplace Annual Reporting Tool (SMART) to CMS. The SMART will include all reporting requirements for SBMs, which will be used as the basis for evaluating comprehensive compliance with regulations and standards of CMS. This report will include State-Blueprint Profiles that compile information annually on key operational and performance requirements, attestations of SBM compliance with ACA requirements, attestations of compliance with eligibility and enrollment requirements, performance monitoring data, attestations on gaps or failures that would affect the functioning of the SBM, and the annual financial statement and external audit report.

The following information details the required reporting elements, including necessary supporting documents and required attestations of the SMART.

Authority

Section 1313(a)(1) of the ACA requires an SBM to keep an accurate accounting of all activities, receipts, and expenditures, and to submit a report annually to the Secretary concerning such accounting.

The Program Integrity Rule Part II (PI Reg) (CMS-9957-F2; CMS-9964-F3) 45 CFR Section 155.1200(a) implements that an SBM maintain an accounting of all its receipts and expenditures, in accordance with Generally Accepted Accounting Principles (GAAP). The PI Reg also requires that each SBM develop and implement a process for monitoring all Marketplace-related activities for effectiveness, efficiency, integrity, transparency and accountability.

45 CFR Section 155.1200(b) requires that each SBM submit several types of reports to CMS that demonstrate the transparency of SBM activities, including financial statements, reports on eligibility determination errors, non-discrimination safeguards, accessibility of information, and incidences of fraud and abuse. In addition, the regulation finalizes that each SBM submit performance monitoring data, including financial sustainability, operational efficiency, and consumer satisfaction data.

Under the PI Reg, the first SMART will be due to CMS in April 2015. In order to comply with the regulations and prepare for the annual report, SBMs must maintain records for a 10-year period to be consistent with the statute of limitations for the False Claims Act. The final 10-year standard supports the federal government's right to investigate and pursue claims based on Marketplace-specific violations involving federal funds that have occurred within the SBM during a 10-year period.

Completion of the Annual Report

In completing the SMART, SBMs are asked to submit or attest to the submission of the following elements described below: Executive Summary; Performance Metrics; State-Blueprint Profiles and Updates; Eligibility and Enrollment; Financial and Program Integrity; and information Technology (IT), Privacy and Security. Directions for completing each attestation and/or document submission are contained in the detailed element description.



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I. Executive Summary

As the Executive Director or Chief Executive Officer (CEO), please provide an executive summary of SBM activities and accomplishments. This can include information, data, highlights of accomplishments, key investments, challenges, and priorities for the coming year, and major changes to the strategic direction of the SBM.

II. Performance Metrics

A. Performance Metrics Overview

The performance metrics were created to provide insight into the performance and impact of SBMs. This set of standardized metrics ensures basic transparency and allows consistent cross-state comparisons of the impact of varying approaches to SBM implementation. These metrics are critical to ensure the accountability and integrity of the SBMs.

Performance metrics are submitted by the SBMs to CMS via the Outcomes Metrics Template flat file on a quarterly and annual basis, as specified in the PI Reg. SBMs must attest to each quarterly and annual submission in the SMART.

Please see Appendix A for a full list of the required data elements in the outcome metrics.

B. Performance Monitoring

The Marketplace collected and reported to CMS performance monitoring data under 45 CFR Subpart M, §155.1200(a)(3).

☐ YES ☐ NO

C. Outcome Metrics Reports

The Marketplace submitted the quarterly outcomes metrics reports that include data pertaining to Qualified Health Plan (QHP) eligibility, enrollment into QHPs, and financial assistance.

☐ YES ☐ NO

D. Final Plan Year Quarterly Metrics Report

The Marketplace attests to submitting the final plan year Quarterly Metrics Report, which is cumulative in nature. If no, upload the final plan year Quarterly Metrics Report. **UPLOAD**

☐ YES ☐ NO

E. Self-Reporting: Performance Metrics Opportunity for Comments

Please identify best practices exhibited by the Marketplace, trends that demonstrate the impact of the Marketplace on the health market, and areas of improvement where technical assistance regarding Performance Metrics may be necessary for the Marketplace.

III. State-Blueprint Profiles and Updates

A. State-Blueprint Profiles and Updates Overview

State-Blueprint Profiles are created through data collected from SBMs on policy and operational decisions. These profiles will be used to track and analyze varying approaches to implementation of each Marketplace.

The SBM must review the State-Blueprint Profiles through SERVIS. Using the attached Appendix, the SBM must attest that all of the information contained in the State-Blueprint Profile is accurate and current. Additionally, the SBM must note any changes to the Blueprint.

Please see Appendix B for a list of the policy categories that are part of the State-Blueprint Profile.

B. State-Blueprint Profiles and Updates Submission

The Marketplace has provided to CMS a summary of the Marketplace's policy and operational decisions and confirms the completeness and accuracy as part of the annual report required under 45 CFR Subpart M, §155.1200.

☐ YES ☐ NO

C. State-Blueprint Profiles and Updates Accuracy

The Marketplace reviewed the State-Blueprint Profile and confirmed it is accurate and up-to-date. If no, update and upload the current State-Blueprint Profile. **UPLOAD**

☐ YES ☐ NO

D. Self-Reporting: State-Blueprint Profiles and Updates Opportunity for Comments

Please provide any comments on major changes to the State-Blueprint Profile, additional information that may not be captured on the State Blueprint Profile, and/or information you would like to highlight.

IV. Eligibility and Enrollment

A. Eligibility and Enrollment Overview

Eligibility and enrollment requirements were created to enhance transparency and ensure fairness for consumers. SBMs should submit reports regarding eligibility and enrollment to CMS as part of this SMART. These reports should focus on eligibility determination errors, nondiscrimination safeguards, accessibility of information, and fraud and abuse incidences.

B. Eligibility

The Marketplace provides to CMS eligibility reports, at least on an annual basis, under 45 CFR Subpart M, §155.1200(b)(2). The Marketplace attests to submitting each Quarterly Metrics Report, thus fulfilling this requirement.

☐ YES ☐ NO

C. Eligibility Determination Report

The Marketplace reports data on its eligibility determinations, including the number of applicants determined eligible/ineligible for QHPs and insurance affordability programs (e.g., advanced premium tax credits/cost-sharing reductions). The Marketplace attests to submitting each Quarterly Metrics Report, thus fulfilling this requirement.

☐ YES ☐ NO

D. Eligibility Determination Appeals Report

The Marketplace reports data on the number of QHP and insurance affordability program eligibility determinations appealed by applicants and the number of appeals upheld or reversed. The Marketplace attests to submitting each Quarterly Metrics Report, thus fulfilling this requirement.

☐ YES ☐ NO

E. Discrimination and Complaints Report

The Marketplace has policies and clear enforcement standards to safeguard against discrimination in its eligibility determinations (and subsequent enrollments), including reports of discrimination, complaint processes, and training of Marketplace personnel. If the Marketplace received reports of discrimination, upload the Discrimination and Complaints Report. **UPLOAD**

☐ YES ☐ NO

F. Consumer Access to Information

The Marketplace has consumer accommodations policies and procedures in place to ensure that all consumers have access to information and their options for assistance in applying to the Marketplace and appealing determinations.

☐ YES ☐ NO

G. Identify, Adjudicate and Report on Fraud, Waste and Abuse

The Marketplace has processes in place to identify, adjudicate, and report on fraud, waste and abuse incidents associated with Issuers, Agents/Brokers, Navigators, In-Person Assistants, Certified Application Counselors, and other entities associated with providing consumer assistance for applying for QHPs through the Marketplace. If the Marketplace identified incidents of fraud, waste, and abuse, upload the Fraud, Waste and Abuse Report for incidents associated with consumer assistance entities. **UPLOAD**

☐ YES ☐ NO

H. Enrollment

The Marketplace provides CMS with enrollment reports on an annual basis under 45 CFR Subpart M, §155.1200(b)(2). The Marketplace attests to submitting each Quarterly Metrics Report, thus fulfilling this requirement.

☐ YES ☐ NO

I. Enrollment and Disenrollment Data

The Marketplace collects and reports data on its enrollments and disenrollments, including the number of enrollees receiving Advanced Premium Tax Credits (APTCs)/Cost Sharing Reductions (CSRs) by plan, metal tier, and type, and enrollee demographic data, including age, sex, gender, race/ethnicity, urban/rural residency, Federal Poverty Level (FPL), and English as a Second Language (ESL). If yes, upload the Enrollment and Disenrollment Data Report. **UPLOAD**

☐ YES ☐ NO

J. Enrollment Assistance

The Marketplace collects and reports on the number of applicants who were assisted in enrolling through a Navigator, Agent/Broker, In-Person Assister, Certified Application Counselor, or other entities associated with providing consumer assistance in applying for QHPs through the Marketplace. The Marketplace attests to submitting each Quarterly Metrics Report, thus fulfilling this requirement.

☐ YES ☐ NO

K. Self-Reporting: Eligibility and Enrollment Opportunity for Comments

Please provide information on any identified discrepancies and/or concerns with eligibility and enrollment and, if applicable, the steps that were taken to resolve such discrepancies and/or concerns. Please also address strengths, lessons learned, and best practices, and identify operational or policy issues, if any, which have caused significant and/or recurring problems in making accurate eligibility determinations or enrollments.

V. Financial and Program Integrity

A. Financial and Program Integrity Overview

Requirements on financial and program integrity were developed to ensure proper oversight, accurate accounting of all activities, receipts, and expenditures, and assurance for identifying and addressing incidences of fraud, waste, and abuse. Additionally, requirements specify these financial statements need to be kept in accordance with Generally Accepted Accounting Principles (GAAP), as well as verified and corroborated by an annual independent external audit.

Financial and program integrity reporting requirements include attestation and document submission. The SBM must attest to the activities specified in the SMART Guide, as well as submitting proper documentation from an independent financial auditor.

B. Accurate Accounting

The Marketplace keeps accurate accounting of all activities, receipts, and expenditures in accordance with GAAP under 45 CFR Subpart M, §155.1200(a)(1).

☐ YES ☐ NO

C. Financial Statement

The Marketplace has prepared an annual financial statement in accordance with GAAP under 45 CFR Subpart M, §155.1200(b)(1) and provided the financial statement to CMS. If yes, upload the completed annual financial statement. **UPLOAD**

☐ YES ☐ NO ☐ N/A

D. Accurate Accounting and Financial Statement: Independent External Auditor Attestation

An independent, external auditor attests that the Marketplace has demonstrated to CMS accurate accounting of all activities, receipts, and expenditures and has prepared an accurate annual financial statement in accordance with GAAP. If yes, upload the auditor attestation confirming the Marketplace has demonstrated accurate accounting and prepared an accurate annual financial statement. **UPLOAD**

☐ YES ☐ NO

E. Independent External Audit

An independent, qualified auditing entity that follows generally accepted governmental auditing standards (GAGAS) has performed an annual independent external financial and programmatic audit of the Marketplace,

under 45 CFR Subpart M, §155.1200(c) in compliance with the standards in 45 CFR Subpart M, §155.1200(d). If yes, upload results of the annual independent external audit. If the Marketplace will submit the results of the annual independent external audit at a later date, select the “Will Submit at Later Date” button and provide the date in Question J. Self-Reporting: Financial and Program Integrity Opportunity for Comments. **UPLOAD**

☐ YES ☐ NO ☐ WILL SUBMIT AT LATER DATE

F. Material Weaknesses

The independent external audit identified a material weakness or significant deficiency.

☐ YES ☐ NO

If yes, the Marketplace has informed CMS of any material weakness or significant deficiency and any intended corrective action identified by the independent external audit.

☐ YES ☐ NO

If yes, upload corrective action plan (CAP) addressing the material weakness or significant deficiency identified by the external audit. **UPLOAD**

G. Audit Results Available to Public

The Marketplace has made a summary of the results from the independent external audit available to the public.

☐ YES ☐ NO

H. Maintenance of Records

The Marketplace adheres to the maintenance of records requirements as stated under 45 CFR Subpart M §155.1210(a)(b)(c).

☐ YES ☐ NO

I. Fraud, Waste, and Abuse

The Marketplace has identified incidents of fraud, waste, and abuse within its operations under 45 CFR Subpart M, §155.1200(b).

☐ YES ☐ NO

If yes, the Marketplace has reported these incidents to CMS.

☐ YES ☐ NO

If yes, upload the Fraud, Waste, and Abuse Report. **UPLOAD**

J. Self-Reporting: Financial and Program Integrity Opportunity for Comments

Please identify any new initiatives related to the SBM management of financial and programmatic integrity, provide explanations of problematic issue areas identified, and a description of any areas the auditor identified as at risk and the SBM mitigation strategies to address those issues.

VI. Information Technology, Privacy and Security

A. Information Technology, Privacy and Security Overview

Each SBM is required to submit information technology (IT), privacy and security plans and documentation to ensure compliance with state and federal requirements. Section 1411(g) of the ACA specifies the need to protect the confidentiality of personally identifiable information (PII) in Marketplace-related processes. Section §155.260 of the *Patient Protection and Affordable Care Act; Establishment of Exchanges and Qualified Health Plans; Exchange Standards for Employers* Final Rule specifies the requirements for privacy and security of personally identifiable information. In addition to regulations, CMS and SBMs executed Interconnection Security Agreements (ISAs), Computer Matching Agreements (CMAs) and Information Exchange Agreements (IEAs) that govern the use, disclosure and exchange of PII between the Federal Data Services Hub (FDSH), and the SBM IT system.

The SBM must review the documents listed below and attest that the SBM demonstrates compliance with the Marketplace IT, privacy and security regulatory requirements, and legal agreements which include the Minimum Acceptable Risk Standards for Exchanges (MARS-E) requirements.

B. System Security Plan

The Marketplace reviewed and submitted the System Security Plan (SSP) to CMS, which contains all of the MARS-E controls that the Marketplace must document and implement to demonstrate compliance with 45 CFR § 155.260(a)(3)(vii) as well as the legal agreements signed by CMS and the Marketplace. The Marketplace has also informed CMS of any major updates to the SSP.

☐

YES

☐

NO

C. Interconnection Security Agreement

The Marketplace has reviewed and confirms compliance with the Interconnection Security Agreement (ISA), a legal agreement that was signed when the Marketplace and CMS networks were connected directly or indirectly (see 45 CFR § 155.260(e)).

☐

YES

☐

NO

D. Computer Matching Agreement

The Marketplace has reviewed the Computer Matching Agreement (CMA), a legal agreement that was signed when data was matched and transferred between the Marketplace and CMS under Section 1311, 1411 and 1413 of the ACA (see 45 CFR § 155.260(e)).

☐

YES

☐

NO

E. Information Exchange Agreement

The Marketplace has reviewed the Information Exchange Agreement (IEA), a legal agreement that specifies how information will be exchanged between the Marketplace and CMS systems (see 45 CFR § 155.260(e)).

☐ YES ☐ NO

F. Privacy Impact Assessment

The Marketplace submitted the Privacy Impact Assessment (PIA) to CMS, identifying the systems that contain PII and privacy protections that have been incorporated to maintain compliance with 45 CFR § 155.260(a)(3)(vii).

☐ YES ☐ NO

The PIA can be found using the following CALT Document Identification Number:

G. Security Assessment Report

The Marketplace submitted the Security Assessment Report (SAR) to CMS, validating that the Marketplace conducted an assessment of security controls in the Marketplace information system to determine the extent to which the controls are implemented correctly, operating as intended, and producing the desired outcome to meet the security requirements for the system. The CMS MARS-E requires an independent assessment and corresponding SAR be completed every three years or whenever significant changes to the system configuration or the operational environment occur that warrant the reissuance of the ATC with CMS.

☐ YES ☐ NO

H. Plan of Action and Milestones

The Marketplace submitted the Plan of Action and Milestones (POA&M) quarterly to CMS, identifying the risks and weakness for systems that contain PII and privacy protections that have been incorporated to maintain compliance with 45 CFR § 155.260(a)(5). If no, please provide a comment under Section K: Self Reporting.

☐ YES ☐ NO

I. Annual Security Attestation

The Marketplace submitted the Annual Security Attestation to CMS. The annual attestation includes the submission of updated System Security Plan and results of testing conducted on a subset of MARS-E security controls specified in the *Annual Security Attestation Procedures for State-Based ACA Administering Entity Systems*.

☐ YES ☐ NO

J. Change Reporting

If applicable: The Marketplace submitted change reports to CMS for changes to information system hardware, software, and/or network components that may significantly impact the overall security posture of the system as required.

☐ YES ☐ NO ☐ N/A

K. Self-Reporting: Information Technology, Privacy and Security Opportunity for Comments

Please provide any comments on major changes to Information Technology, Privacy and Security plans and documents, and/or information you would like to highlight.

VII. Attestation of Completion

On this date, I attest that the statements and information contained in this State-based Marketplace Annual Reporting Tool (SMART) and the documents submitted in conjunction with this report accurately represent the SBM's compliance with the regulatory requirements.

☐ YES ☐ NO

STATE: <Enter Name of State>
ELECTRONIC SIGNATURE: <Enter Electronic Signature of Executive Director or Chief Executive Officer>
DATE: <Enter MM/DD/YYYY>
PRINT NAME: _____

Appendix A: Outcome Metrics

Data Element	Data Specifics
Current Health Insurance Coverage (Advanced Premium Tax Credit (APTC) applicants only)	Number and percent of individuals applying for APTC who are currently enrolled in: <i>Consolidated Omnibus Budget Reconciliation Act – COBRA (COBRA)</i> , Retiree health plan, Veterans health program, Medicare, TRICARE, Peace Corps, Medicaid/Children’s Health Insurance Program (CHIP), IHS, Other Federal Programs, Employee Sponsored Insurance (ESI), Uninsured
Health Plan Renewal Rate in Marketplace	Number of QHP contract renewals during open season/all policies in force in December of that year
Applications and Eligibility	Applications initiated, Completed, Individuals assessed for eligibility and enrollment; Individuals eligible for financial assistance (APTC/Cost Sharing Reductions(CSR))
Assistance with Qualified Health Plan (QHP) Enrollment Submission	Percent and number by web, phone, mail, in person, multiple channels; By assistance (Navigators, Non-Navigator Assistance Personnel (also known as In-person assistors), Certified Application Counselors (CACs), Agents/Brokers, Web Brokers, Medicaid authorized reps, Other Assistant); Number of requests for language assistance/Number fulfilled; Time taken to provide language assistance; Form of language assistance (e.g., translated forms, individual assistance, etc.)
Number of Customer Complaints and Grievances About Eligibility and Enrollment Problems in Marketplace	Number of individuals and families submitting eligibility application/enrollees in QHPs; Customer complaints per capita regarding enrollment
Percentage of Initial QHP Eligibility Determinations Upheld or Reversed in an Appeal	Upheld or reversed appeals/all appeals
Median Time to Resolve Appeal for QHP Eligibility Determination	Median time to resolve from date of filing appeal to date of final disposition
Medicaid/CHIP Eligibility	Medicaid and CHIP eligibility assessments and determinations by the SBM
QHP Applications and Eligibility	QHP Applications and Eligibility by Gender, Age, FPL, Metal Level; Financial Assistance
QHP Enrollment (pre-effectuated)	QHP Enrollment by Gender, Age, Federal Poverty Level (FPL), Metal Level; Financial Assistance
Effectuated Enrollment	Effectuated Enrollment by Gender, Age, FPL, Metal Level; Financial Assistance
Financial Assistance	APTC eligible amount and percent APTC selected; CSR selection
Effectuated Time	Median Time to Effectuated Enrollment
Assistance with QHP	QHP eligible application submissions by type of assistance
Small Business Health Options Program (SHOP)	SHOP: Number of employers participating, employees covered; Percentage of premium paid by employer; Employee choice; Dependent coverage

Appendix B: State-Blueprint Profiles Policy Categories

Policy Category
State & Market Information
Legal Authority
Consumer and Stakeholder Engagement Consultation
Eligibility and Enrollment
Plan Management
Risk Adjustment and Reinsurance
Small Business Health Options Program (SHOP)
Organization and Human Resources
Finance and Accounting
Technology
Oversight and Monitoring