

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Consumer Information and Insurance Oversight
7501 Wisconsin Avenue
Bethesda, MD 20814



State-based Marketplace Annual Reporting Tool (SMART)

Introduction

The Affordable Care Act (ACA) established State-based Exchanges (SBEs) 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 Exchanges to best meet the unique needs of their residents and insurance markets.

The Centers for Medicare & Medicaid Services (CMS) is responsible for the oversight and monitoring of SBEs pursuant to 45 CFR § 155.1200 (general program integrity and oversight responsibilities) and 45 CFR § 155.1210 (maintenance of records). Under these provisions, SBEs are required to conduct a defined set of oversight activities to track and monitor how they are meeting ACA program integrity standards. In addition, SBEs are required to comply with Exchange-related policy and operational requirements set forth in statute, regulations, and guidance.

The State-based Marketplace Annual Reporting Tool (SMART) was developed to assist CMS in the collection of SBE reporting and auditing requirements, and, in coordination with other CMS oversight activities, to monitor and evaluate SBE compliance with applicable regulations and guidance. SBEs must submit the SMART on an annual basis to CMS. Submission of the SMART does not preclude an SBE from meeting other CMS reporting requirements not addressed in the SMART.

SBEs must submit or attest to the submission of these requirements by completing the following SMART elements: Eligibility and Enrollment and Financial and Program Integrity. Directions for completing each attestation and/or document submission are contained in the element description.

Unless otherwise noted, SBEs should answer the SMART questions, as they relate to Exchange operations in place, on the last day of the previous open enrollment period.



SMART REPORTING ELEMENTS

State-based Marketplace Annual Reporting Tool (SMART) 1

Introduction..... 1

I. Eligibility and Enrollment..... 3

II. Financial and Programmatic Audit..... 8

III. Program Integrity..... 9

IV. Attestation of Completion..... 11

I. Eligibility and Enrollment

SBEs using the Federal Platform (SBE-FPs) for individual eligibility and enrollment, should skip this section.

Under 45 CFR § 155.1200(b)(2), Exchanges are required to report on eligibility and enrollment activities. Please attest to whether the Exchange is in compliance with the following Exchange-related eligibility and enrollment policy, operational regulations, and guidance, and submit the required information where noted. Answer the questions as they relate to Exchange operations in place as of the last day of the previous open enrollment period, unless otherwise noted.

A. Qualified Health Plan (QHP) Eligibility Verification: Social Security Number

The Exchange verifies Social Security number with the Social Security Administration through the Federal Data Services Hub under 45 CFR § 155.315(b) unless otherwise authorized by CMS.

☐ YES ☐ NO

B. QHP Eligibility Verification: Citizenship and Lawful Presence

The Exchange verifies citizenship with the Social Security Administration through the Federal Data Services Hub under 45 CFR § 155.315(c) unless otherwise authorized by CMS.

☐ YES ☐ NO

The Exchange verifies lawful presence with the Department of Homeland Security through the Federal Data Services Hub Verify Lawful Presence (VLP) Service Steps 1, 2, and 3 under 45 CFR § 155.315(c) or through an alternative data source and/or process.

☐ YES ☐ NO

If an alternative process is used, please summarize and include any alternative data source(s) used: _____

C. QHP Eligibility Verification: State Residency

The Exchange verifies state residency through attestation under 45 CFR § 155.315(d) unless otherwise authorized by CMS.

☐ YES ☐ NO

The Exchange verifies state residency through a non-Federal Data Services Hub data source for this eligibility verification procedure.

☐ YES ☐ NO

If yes, please list data source(s): _____

D. QHP Eligibility Verification: Standards and Process for American Indian/Alaska Natives

The Exchange verifies attestations of American Indian/Alaska Native status utilizing relevant documentation and/or an electronic data source as provided under 45 CFR § 155.350(c) unless otherwise authorized by CMS.

☐ YES ☐ NO

If yes, please list documentation type and/or data source(s): _____

E. QHP Eligibility Verification: Incarceration Status

The Exchange verifies incarceration status through the Federal Data Services Hub or attestation under 45 CFR § 155.315(e) unless otherwise authorized by CMS.

☐ YES ☐ NO

The Exchange uses a non-Federal Data Services Hub data source in addition to or as a contingency for the Federal Data Services Hub for this eligibility verification procedure.

☐ YES ☐ NO

If yes, please list data source(s): _____

F. Affordability Program Eligibility Verification: Household Income and Size

The Exchange verifies household income and family/household size through the Federal Data Services Hub under 45 CFR § 155.320(c) unless otherwise authorized by CMS.

☐ YES ☐ NO

The Exchange uses a non-Federal Data Services Hub data source in addition to, or as a contingency for, the Federal Data Services Hub for this eligibility verification procedure.

☐ YES ☐ NO

If yes, please list data source(s): _____

G. Affordability Program Eligibility Verification: Employer-sponsored Plan

The Exchange verifies eligibility related to enrollment in an eligible employer-sponsored plan and eligibility for qualifying coverage in an eligible employer-sponsored plan through the Federal Data Services Hub Office of Personnel Management Service under 45 CFR § 155.320(d)(2)(i) unless otherwise authorized by CMS.

☐ YES ☐ NO

The Exchange uses a CMS-approved non-Federal Data Services Hub data source in accordance with 45 CFR § 155.320(d)(2)(ii) for this eligibility verification procedure.

☐ YES ☐ NO

The Exchange employs a random sampling process in accordance with 45 CFR § 155.320(d)(4), or employs an CMS-approved alternative process in accordance with 45 CFR § 155.315 for this eligibility verification procedure.

☐ YES ☐ NO

If yes, please list data source(s) and/or alternative process: _____

H. Affordability Program Eligibility Verification: Medicaid, Children’s Health Insurance Program (CHIP) and Basic Health Program (BHP)

The Exchange verifies eligibility related to enrollment in Medicaid, CHIP, and BHP (if applicable) through a state-level data source under 45 CFR § 155.320(b)(1)(ii).

☐ YES ☐ NO

I. Affordability Program Eligibility Verification: Non-Employer-sponsored Plan

The Exchange verifies eligibility related to enrollment in minimum essential coverage, other than through an eligible employer-sponsored plan (e.g., Medicare, Veterans Health Administration, TRICARE/Department of Defense, and the Peace Corps), through the Federal Data Services Hub under 45 CFR § 155.320(b)(1)(i).

☐ YES ☐ NO

The Exchange uses a non-Federal Data Services Hub data source in addition to or as a contingency for the Federal Data Services Hub for this eligibility verification procedure.

☐ YES ☐ NO

If yes, please list data source(s): _____

J. Inconsistency Resolution

In cases where the Exchange cannot verify information required to determine eligibility for enrollment in a QHP through the Exchange, advance premium tax credits (APTCs), and cost-sharing reductions (CSRs), the Exchange has a process in place to identify, notify consumers of, and resolve inconsistencies in accordance with 45 CFR § 155.315(f) relating to the following eligibility factors:

Y	N	Partial	
☐	☐	☐	Annual Income
☐	☐	☐	Citizenship/Immigration Status
☐	☐	☐	Incarceration Status
☐	☐	☐	American Indian/Alaskan Native Status
☐	☐	☐	Minimum Essential Coverage: Non-Employer Sponsored Coverage
☐	☐	☐	Minimum Essential Coverage: Employer Sponsored Coverage

If answered partial, please explain: _____

K. Benefit Year Eligibility Redetermination and Verification

The Exchange conducts eligibility redeterminations and verifies reported changes during the benefit year in accordance with 45 CFR § 155.330.

☐ YES ☐ NO

L. Periodic Data Matching

The Exchange conducts periodic data matching during the benefit year in accordance with 45 CFR § 155.330(d) to identify updated information for applicable enrollees in regard to the following eligibility factors:

Y	N	Frequency
		Death
		Enrollment in Medicare
		Enrollment in Medicaid, CHIP, or BHP

M. Annual Eligibility Redeterminations and Verification

The Exchange performs annual eligibility redeterminations and verifies reported changes in accordance with 45 CFR § 155.335. Submit the procedures for redeterminations for the next open enrollment period per 45 CFR § 155.335(2). **UPLOAD** Uploaded procedures include the following components:

Y	N	
		Description of annual eligibility redeterminations process including dates for conducting batch eligibility redetermination verifications through FDSH
		Description of automatic re-enrollment process including re-enrollment populations and consumer noticing timelines
		Description of redeterminations process to identify Failure to Reconcile (FTR), including codes that will be applied in verifying FTR status and actions taken
		Description of any operational or policy changes from previous years to the redetermination process

N. QHP Eligibility Process: Employer Notices

The Exchange notifies an employer that an employee has been determined eligible for APTCs and CSRs and has enrolled in a QHP through the Exchange within a reasonable timeframe under 45 CFR 155.310(h).

☐ YES ☐ NO

O. QHP Eligibility Standards: Income Tax Return Filing Requirement

The Exchange verifies the tax filing status of new applicants and renewing enrollees with the IRS through the Federal Data Services Hub under 45 CFR § 155.305(f)(4).

☐ YES ☐ NO ☐ PARTIAL

If answered partial, please explain: _____

The Exchange denies or discontinues APTC for new applicants and renewing enrollees who are identified as having APTC paid on their behalf but who did not file a tax return or reconcile APTC for that year.

☐ YES ☐ NO ☐ PARTIAL

If answered partial, please explain: _____

P. Eligibility Determinations: Right to Appeal

The Exchange includes the notice of the right to appeal and instructions regarding how to file an appeal in any eligibility determination notice issued to the applicant in accordance with 45 CFR § 155.355.

☐ YES ☐ NO

Q. Administration of Advance Payments of the Premium Tax Credit: CMS Reporting

The Exchange is compliant with applicable requirements regarding submission of Policy-level data to CMS for plan year 2019 and prior plan years to support the administration and reconciliation of payments of APTCs and CSRs to issuers under 45 CFR § 155.340(a) and 45 CFR § 155.400(b).

☐ YES ☐ NO ☐ PARTIAL

R. Administration of Advance Payments of the Premium Tax Credit: IRS and Taxpayer Reporting

The Exchange is in compliance with applicable requirements regarding reporting to the IRS and to taxpayers in accordance with 45 CFR § 155.340(c).

☐ YES ☐ NO ☐ PARTIAL

S. Monthly Reconciliation of Enrollment Information with QHP issuers

The Exchange reconciles their enrollment information, including historical dates of coverage, with QHP issuers no less than on a monthly basis in accordance with 45 CFR § 155.400(d).

☐ YES ☐ NO

If yes, submit the internal and external procedures for reconciliation with issuers per 45 CFR § 155.400(d) only if not previously provided or if it has undergone significant changes since the last submission.

UPLOAD

☐ Procedures previously submitted and have not undergone significant changes.

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

If applicable, please use this section to provide any additional information or clarification on eligibility and enrollment that was not captured in the previous attestations.

II. Financial and Programmatic Audit

Under 45 CFR § 155.1200, Exchanges are required to report to CMS on financial and program integrity, and engage an independent qualified auditing entity or entities to conduct a financial and a programmatic audit. Please attest to having completed the applicable activities and submit any requested documentation.

A. Accurate Accounting

The Exchange keeps accurate accounting of all activities, receipts, and expenditures in accordance with generally accepted accounting principles (GAAP), as required under 45 CFR § 155.1200(a)(1).

☐ YES ☐ NO

B. Financial Independent External Audit

An independent, qualified auditing entity that follows generally accepted governmental auditing standards (GAGAS) has performed an annual independent external financial audit of the Exchange, as required under 45 CFR § 155.1200(c), and submitted the results to CMS. If yes and if not already provided, upload results of the annual financial independent external audit. **UPLOAD**

☐ YES ☐ NO

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

The Exchange has prepared an annual financial statement in accordance with GAAP, as required under 45 CFR § 155.1200(b)(1), and provided the financial statement to CMS. If yes and if not already provided, upload results of the annual financial statement. **UPLOAD**

☐ YES ☐ NO

An independent, external auditor attests that the Exchange 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 Exchange has demonstrated accurate accounting and prepared an accurate annual financial statement. If yes and if not already provided, upload auditor attestation. **UPLOAD**

☐ YES ☐ NO

D. Programmatic Independent External Audit

An independent, qualified auditing entity that follows GAGAS has performed an annual independent external programmatic audit of the Exchange, as required under 45 CFR § 155.1200(c), and in compliance with the standards in 45 CFR Subpart M, § 155.1200(d). If yes, upload results of the annual programmatic independent external audit. **UPLOAD**

☐ YES ☐ NO

E. Material Weaknesses

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

☐ YES ☐ NO

If yes, the Exchange has informed CMS of any material weakness or significant deficiency and any intended corrective action identified by the independent external audit, as required under 45 CFR § 155.1200(c)(2).

☐ YES ☐ NO

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

F. Summary of Audit Results Available to Public

The Exchange has made a summary of the results from the independent financial and programmatic external audits available to the public, as required under 45 CFR § 155.1200(c).

☐ YES ☐ NO

If yes, include a link to where the independent external audit results are posted: _____

III. Program Integrity

A. Maintenance of Records

The Exchange adheres to the maintenance of records requirements as required under 45 CFR § 155.1210(a)-(c).

☐ YES ☐ NO

B. Enrollment Indicator Metrics

The Exchange submits individual and/or SHOP enrollment indicator metric reports in accordance with CMS timelines and templates, as required under 45 CFR § 155.1200(a)(3) and the Paperwork Reduction Act.

☐ YES ☐ NO ☐ N/A

C. Oversight and Monitoring, including Fraud, Waste, and Abuse Policies and Procedures

The Exchange has a comprehensive, documented oversight and monitoring program to ensure program integrity, which include policies and procedures to identify incidents of fraud, waste, and abuse, as required under section 1313(a)(5) of the ACA.

☐ YES ☐ NO

If yes, upload the oversight and monitoring plan and fraud, waste, and abuse policies and procedures only if not previously provided or if it has undergone significant changes since the last submission. **UPLOAD**

☐ Policies and procedures previously submitted and have not undergone significant changes.

D. Non-Discrimination Policies and Standards

The Exchange has policies and clear enforcement standards to safeguard against discrimination in health insurance determinations and practices including notices, complaint processes, and training of Exchange personnel in accordance with Section 1557 of the Affordable Care Act.

☐ YES ☐ NO

If yes, upload the Exchange's non-discrimination policies and standards only if not previously provided or if it has undergone significant changes since the last submission. **UPLOAD**

☐ Policies and standards previously submitted and have not undergone significant changes.

E. Consumer Assistance Tools

The Exchange has policies and procedures in place to provide all consumers with information and assistance that is timely and accessible in accordance with 45 CFR § 155.205. For SBE-FPs, the Exchange has, at a minimum, an informational website and toll-free hotline that directs consumers to the Federal platform for eligibility and enrollment.

☐ YES ☐ NO

F. Financial Information

The Exchange publishes on its website average licensing costs, regulatory fees, administrative costs, and any other additional fees required by the Exchange, along with any monies lost to waste, fraud, and abuse, in accordance with 45 CFR § 155.205(b)(2).

☐ YES ☐ NO

If yes, include a link to where the information is posted: _____

G. Self-Reporting: Financial and Programmatic Audit & Program Integrity Opportunity for Comments

If applicable, please use this section to provide any additional information or clarification on financial and program integrity that was not captured in the previous attestations.

IV. Attestation of Completion

On this date, I attest that the statements and information contained in this State-based Exchange Annual Reporting Tool (SMART) and the documents submitted in conjunction with this report accurately represent the SBE'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: _____