

Date: February 27, 2017

Subject: State-based Marketplaces (SBMs) including SBMs using the Federal Platform (SBM-FPs): Frequently Asked Questions (FAQs) on the State-based Marketplace Annual Reporting Tool (SMART)

These updated FAQs will help SBMs, including SBM-FPs, to understand the SMART requirements, facilitate SMART reporting, and improve communication between the SBMs and the Centers for Medicare & Medicaid Services (CMS), ultimately increasing the benefits of the Marketplaces across the nation.

SMART GOVERNING AUTHORITY

Q1: What is the purpose of the State-based Marketplace Annual Reporting Tool (SMART)?

A1: The SMART captures CMS reporting requirements for SBMs, including SBM-FPs. This integrated reporting document streamlines compliance and will make it easier for SBMs, including SBM-FPs, to demonstrate their adherence to the regulations and standards of CMS.

Q2: What authority does the CMS have to require an SBM to complete the SMART?

A2: Section 1313(a)(1) of the ACA requires an Exchange (Marketplace) to keep an accurate accounting of all activities, receipts, and expenditures and annually submit to the Secretary a report concerning such accounting. Section 155.1200 of Title 45 of the Code of Federal Regulations, finalized in the Program Integrity Rule II, 78 F.R. 65046 (October 30, 2013) (PI Reg II), requires SBMs, including SBM-FPs, to monitor and report to HHS on Exchange-related activities, complete an annual report, and engage an independent qualified auditing entity to perform an annual independent external financial and programmatic audit to ensure each Marketplace is in compliance with CMS regulations and standards. CMS received numerous requests from SBMs that CMS develop a tool that lists all SBM reporting requirements and enables SBMs, including SBM-FPs, to search one document to determine what reports are required. In response to those requests and as a procedural matter, the SMART is an electronic system CMS has developed to receive SBM reporting.

Q3: Where is the SMART located?

A3: SBMs, including SBM-FPs, must submit the SMART through the SERVIS online module at <https://servis.cms.gov>. An offline version of the SMART can be found on SERVIS at https://portal.cms.gov/wps/myportal/cmsportal/servis/application!/ut/p/z1/04_Sj9CPykssy0xPLMnMz0vMAfIjo8ziPS2dnT0sDAx9_QOCTA0cjYM8QoJD_QwNPMz0C7IdFQHWL86/.

SMART REQUIREMENTS

Q4: What requirements must be addressed in the SMART?

A4: SBMs, including SBM-FPs, are required to submit documents or attest to the submission of documents for the three components described in the table below.

SMART Component	Description
<i>Eligibility and Enrollment</i>	Marketplaces are required to provide CMS with annual eligibility and enrollment reports. Marketplaces will attest to their compliance with the Marketplace-related eligibility and enrollment policy and operational regulations and guidance, and submit the required information where noted.
<i>Performance Metrics</i>	Marketplaces are required to collect and report to CMS performance monitoring data. SBMs that operate an individual eligibility and enrollment system and/or a Small Business Health Options Program (SHOP) must, based on prescribed timelines, submit: open enrollment indicator metrics, quarterly metrics reports, and a cumulative final plan year metrics report, as applicable.
<i>Financial and Program Integrity</i>	Marketplaces are required to report to CMS on financial and program integrity and engage an independent qualified auditing entity to conduct a financial and a programmatic audit. The Marketplace will attest to having completed the applicable activities and submit any requested documentation.

Q5: Why do some questions require the SBM to upload a document or report while other questions only require an attestation?

A5: For those questions where the response or document has already been captured in another document or system, an attestation is required. For example, the State is required to submit quarterly metrics reports to CMS throughout the calendar year and attest each report was submitted to CMS in the SMART. When a document does not exist, it must be uploaded. SERVIS will serve as that repository for the documents and enable CMS to confirm that the SBM has met the requirement.

Q6: The SBM has already submitted the reports listed and believes this work is duplicative. Why does the SBM have to verify and/or resubmit the information again?

A6: CMS is not asking states to report to CMS again, but rather to attest that they have completed the necessary reports. For example, States have to submit the Outcomes Metrics flat file quarterly. In this instance, CMS is asking States to attest to the submission and not to submit the report again.

Q7: How should SBMs, including SBM-FPs, attach the results of the independent external audit?

A7: The audit findings report and statements from the external auditor should be uploaded to the SMART online module on SERVIS.

SMART SUBMISSION AND TIMING

Q8: When must SBMs, including SBM-FPs, submit the SMART to CMS?

A8: The 2016 SMART must be submitted to CMS by June 1, 2017. However, the State's external financial audit results and generally accepted accounting principles (GAAP)-compliant financial statement are due annually to CMS by April 1st.

Q9: How should the SBMs, including SBM-FPs, submit the SMART to CMS?

A9: The SMART must be completed and submitted to CMS using SERVIS at <https://servis.cms.gov>.

Q10: Can the SBMs, including SBM-FPs, submit the offline version of the SMART and required documents in lieu of submitting responses on SERVIS?

A10: The offline version of the SMART should only serve as a planning tool to help SBMs, including SBM-FPs, prepare for submission of their SMART through SERVIS. SERVIS will be the only mechanism through which responses will be accepted as it will serve as a centralized location to track SMART requirements.

Q11: Who will be required to sign the SMART?

A11: The SMART must be electronically signed by the SBM executive director or CEO. SMART submissions signed by contractors will not be accepted.

AVAILABLE SMART RESOURCES

Q12: What guidance and resources are available to assist SBMs with completing and submitting the SMART?

A12: The table below provides resources available to SBMs as guidance for completing and submitting the SMART. As always, feel free to contact your State Officer for more information.

Resource	Use	Location
2016 State-based Marketplace Annual Report Tool (SMART)	An off-line planning tool that includes CMS reporting requirements each SBM must complete, as outlined in the PI Reg II that simulates SERVIS.	https://portal.cms.gov/wps/myportal/cmportal/servis/application!/ut/p/z1/04_Sj9CPykssy0xPLMnMz0vMAfljo8ziPS2dnT0sDAX9_QOCTA0cjYM8QoJD_QwNPMz0C7ldFQHWL86/
Program Integrity (PI) Regulation	Grants authority to CMS to require each SBM to submit a SMART on an annual basis.	http://www.ecfr.gov/cgi-bin/text-idx?SID=85ce49fa9054123e3663b3446fdc4cdf&mc=true&node=sp45.1.155.m&rgn=div6