



# Marketplace Payment Submission Process Training: Dunning Letters Job Aid

## 1 Purpose

This document covers the requirements that apply to the First Dunning Letters and Final Dunning Letters.

## 2 Introduction

The Healthcare Integrated General Ledger Account System (HIGLAS) determines specific payment amounts due for the following receivables:

- **User Fees (UFs):** a Federally-facilitated Marketplace (FFM) fee that the payee/Issuer is required to pay for enrolling/participating within the marketplace
- **Advance Premium Tax Credit (APTC) Overpayments:** Payments specific to the APTC program resulting in an overpayment to an Issuer
- **Cost-sharing Reduction (CSR) Overpayments:** Payments specific to the CSR program resulting in overpayment to an Issuer

The Monthly Payment Cycle includes the evaluation and aggregation of payment month data such as APTC, CSR and UF data at the Tax Identification Number (TIN) level. Each month, the Department of Health and Human Services (HHS) nets the UF amount from APTC monthly payments. If the UF amount exceeds the APTC amount, the Issuer will receive a notification, or Dunning Letter, requesting the amount due.

## 3 Key Concepts

Dunning Letters are one (1) of two (2) types:

- **Initial Dunning Letter** – The initial Dunning Letter is the initial bill or invoice that gives the Issuer a predetermined number of days (terms) to pay the receivable. Issuers will typically receive the First Dunning Letter(s) mid-month, and will have 15 calendar days to submit payment. The Issuer will not accrue additional charges during this time. Issuers will receive one (1) Dunning Letter for each program for which the Issuer owes a payment.
- **Intent to Refer (ITR) Letter** – HHS sends the ITR Letter 60 days after the Invoice Date of the initial Dunning Letter. This letter signals the intent of HHS to refer the Issuer's debt to the Treasury Department after a period of 90 days.



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### 4 Initial Dunning Letter

This section outlines the key data elements and defines the key terminology that exists in the Initial Dunning Letter.

Figure 1: Initial Dunning Letter Data Elements

The diagram shows a sample of an Initial Dunning Letter with callouts explaining key data elements:

- Date: 01-FEB-2015**: The date listed on the Letter header is the date the initial Dunning Letter was generated. Note that this date is the Invoice Date.
- PAYEE01  
JOHN SMITH  
7500 SECURITY BLVD  
BALTIMORE MD 21244**: The Program, Entity ID, Invoice Number and Invoice Amount fields are all required to submit payment using the "CMS Health Insurance and Premium Stabilization Programs Payment Form" (Marketplace Payment Form) on the Pay.gov website.
- DUNNING**
- Re: Program : User Fees for the Federally-facilitated Marketplace**
- Entity ID : B001008**
- Invoice Number : U1310B001008004**
- Invoice Date : 01-FEB-2015**
- Invoice Amount : \$505.00**
- Payment Due Date : 16-FEB-2015**
- The Invoice amount listed in the Dunning Letter is the initial amount owed, without interest or fees.



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### 5 Intent to Refer Letter

This section outlines the key data elements and defines the key terminology that exists in the ITR Letter.

Figure 2: Final Dunning Letter Data Elements

#### DUNNING LETTER – FINAL REQUEST

Re: Program	:	User Fees for the Federally-facilitated Marketplace
Entity ID	:	B001008
Invoice Number	:	U1310B001008004
Invoice Date	:	08-APR-2015
Invoice Amount	:	\$505.00
Interest Charge	:	\$0.00
Administrative Cost	:	\$0.00
Total Amount Due	:	\$505.00

The Issuer must pay the entire amount in full.

Additional interest charges and administration costs are added.

The Invoice amount listed in the ITR Letter is the initial amount owed.



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### 6 Data Elements Used in the Pay.gov Payment Submission Process

Dunning Letters contain data that is critical to completing the payment submission process. The graphic below illustrates which data fields Issuers will need to complete and the Marketplace Payment Form used to submit payment through Pay.gov.

Figure 3: Data Elements Required When Submitting the Marketplace Payment Form

**DUNNING LETTER – FIRST REQUEST**

Re: Program : User Fees for the Federally-facilitated Marketplace  
Entity ID : B001008  
Invoice Number : U1310B001008004  
Invoice Date : 01-FEB-2015  
Invoice Amount : \$505.00  
Payment Due Date : 16-FEB-2015

The Entity ID, Invoice Number and Invoice Amount listed in the Dunning Letter Header are all required fields on the Marketplace Payment Form.

**Invoice Information:**

Date \* 12-8-2014

Entity ID \* B001008

Verify Entity ID (Retype) \* B001008

Invoice Number \* U1310B001008004

Verify Invoice Number (Retype) \*

\* Payment Amount: \$ 505.00

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