



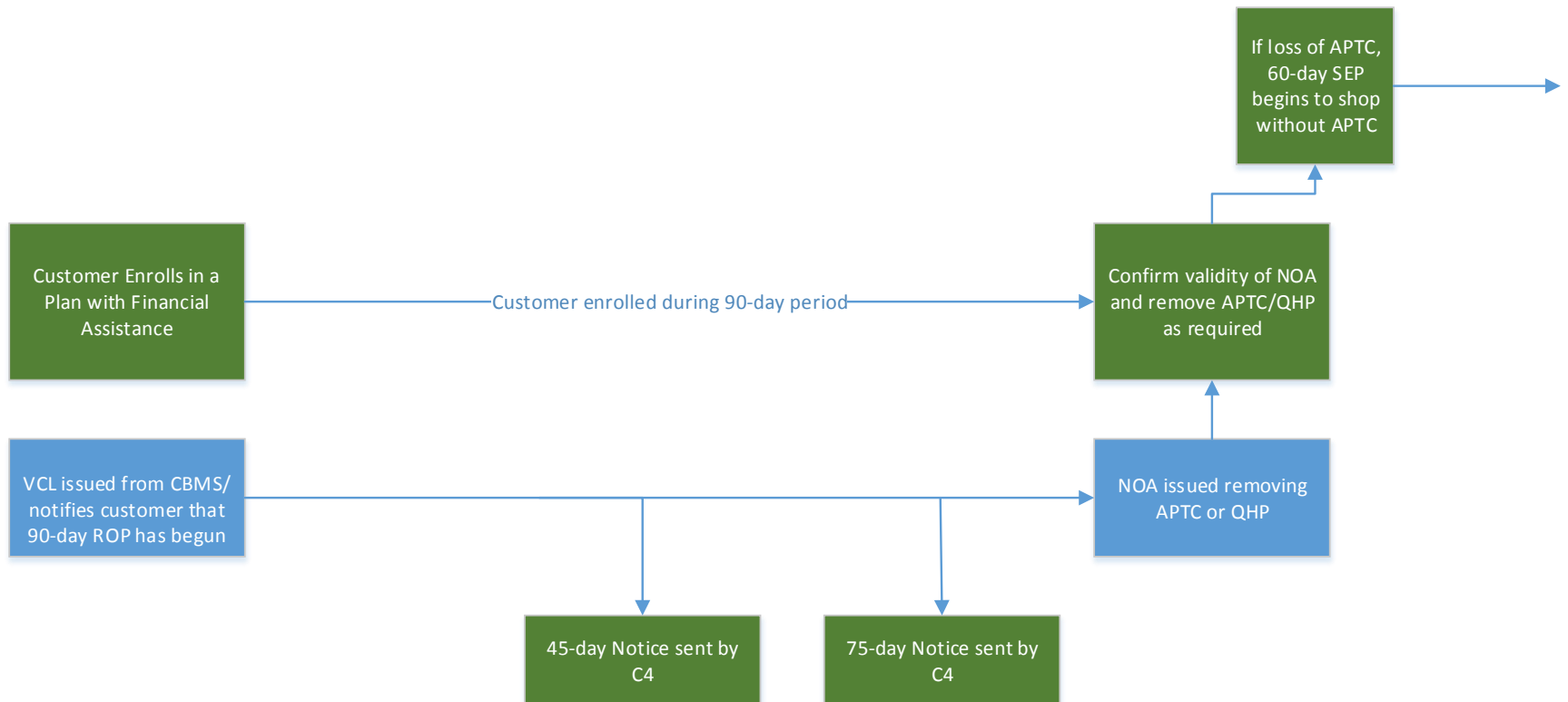
90-DAY VERIFICATIONS UPDATE

BOARD MEETING
APRIL 10, 2017

Verifications Project - Background

- Various events may result in a system request that members provide documents to verify their eligibility for APTC or QHP:
 - New FA enrollment
 - Change to existing eligibility
 - Systematic update to all accounts (e.g., Cost of Living Adjustments (COLA))
- These customers are given a 90-day Reasonable Opportunity Period (ROP) to provide the documents (counted from the date of the new enrollment, change, or systematic update).
- After the 90-day period, the system sends a data “payload” from CBMS that removes the customer’s plan or APTC, depending on the type of verification required.
- With implementation of the FDSH project, these payloads resulted in losses of APTC/QHP for persons with failures to notify as far back as 2012.
- The Verifications project was created following the FDSH implementation to make sure loss of APTC/QHP only occurs when justified by the case.

90-Day Verification Milestones



APTC/QHP- Advance Premium Tax Credits/Qualified Health Plan

NOA- Notice of Action issued by CBMS/PEAK advising of failure to notify and loss of APTC/QHP

ROP- Reasonable Opportunity Period, the 90-days customers have to submit documents

VCL- Verification Check List, notice from CBMS/PEAK that documents must be submitted within 90-days

Customers Potentially at Risk of Losing APTC/QHP

Customers at risk of losing APTC/QHP are those who:

1. Had effectuated plans with Financial Assistance for the 2017 plan year.
2. Received the notice to provide verification documents, but failed to do so within the allowed 90-days and did not request an extension prior to 90 days.
3. Received all three reminder notices provided to affected customers.
4. Are shown as having lost APTC/QHP in the customer's PEAK account.

The number of customers requiring 45-day and 75-day noticing is declining as volume from Open Enrollment works through the system:

- A high of 3,733 notices were sent the week of 2/27/17
- The last four weeks representing enrollments from January 2017 are trending down:

<u>Enrollment Week of</u>	<u>Expiration Week of</u>	<u>Number of Notices Sent</u>
1/7/17	4/7/17	380
12/31/16	3/30/17	931
12/24/16	3/24/17	921
12/15/16	3/15/17	1,009

Failure to Provide Verification Actions and Business Process

1. MA site proactively searching for customers within 90-day period who have uploaded documents in order to clear the Verifications request before the 90-day period elapses.
2. Initiating notices to customers of need to submit documents at 45 days and 75 days into the 90-day ROP.
3. Providing communication to channels and partners about current process, how customers may be impacted, and recourse available to them.
4. Implementing a Business Process Phase-In – Initiate required action following manual validation that the removal of APTC/QHP is warranted for small set of cases daily. Also provides End-to-End process check.
5. Considering the adoption of the Business Process Phase-In as our regular business process until the OIT defect is fixed to clear pre-2017 failures to provide verification.

Recourse Available for Customers who Lose APTC/QHP Due to Failed Verification

Scenario:

- Customer enrolled with Financial Assistance and is issued a Verification Check List (VCL) from CBMS requiring submission of documents to verify income within 90-days of enrollment.
- Customer is issued the 45-day and 75-day reminder notices to submit documents.
- Customer does not comply within 90-day Reasonable Opportunity Period (ROP) and is issued a Notice of Action.
- CBMS processes a termination of the customer's APTC or QHP.

Current Options Available to Customer Upon Termination:

1. Wait until the next open enrollment.
2. Wait until the customer experiences a Life Change Event, at which point they return to C4 with documents creating a new SEP.
3. Continue coverage but pay full premium for the existing plan (only for loss of APTC).
4. Shop for a new (possibly lower premium) plan paying full premium (only for loss of APTC).

NOTE: Recent CMS regulation allows state exchanges the option of creating a Special Enrollment Period (SEP) for customers who lost APTC or coverage due to failure to provide verification of income, identity or other items by the time of ROP expiration. C4HCO Staff is evaluating this option along with others and will present to the Board Advisory Group for ⁶ input.