

Spring 2016 Periodic Data Matching in the Federally-facilitated Marketplace FAQ

Consumers who are enrolled in coverage through Medicaid or CHIP that qualifies as minimum essential coverage (MEC) are ineligible for advance payments of the premium tax credit (APTC) for themselves, and for income-based cost-sharing reductions (CSRs) to help pay for the cost of their Marketplace coverage.

The Federally-facilitated Marketplace (Marketplace)¹ has conducted a data match with state Medicaid and CHIP agencies to determine whether consumers who are enrolled in Marketplace coverage with APTC or CSRs (APTC/CSRs) are also enrolled in Medicaid or CHIP. Consumers identified through this process will be sent notices from the Marketplace requesting that they act immediately to end Marketplace coverage with APTC/CSRs while they are enrolled in Medicaid or CHIP coverage.

There are two ways consumers can do this:

- (1) Visit HealthCare.gov/medicaid-chip/cancelling-marketplace-plan/ and follow the instructions for each person with Medicaid or CHIP (The link also includes instructions on how to keep their Marketplace plan without premium tax credits and cost-sharing reductions.); or
- (2) Call the Marketplace Call Center at 1-800-318-2596 (TTY users should call 1-855-889-4325).

This document is for state Medicaid and CHIP agencies, to help inform them about the technical and operations aspects of periodic data matching. States should refer to this updated document for the latest information regarding Periodic Data Matching (PDM), as it provides updates to the PDM FAQs that were published in fall 2015. This document will be updated as necessary to reflect changes in this process. The Marketplace will continue to conduct regular periodic data matches and send notices to consumers accordingly.

Q1: What is Periodic Data Matching?

A1: As described in Marketplace regulations at 45 CFR 155.330(d), Periodic Data Matching (PDM) includes the process in which the Marketplace periodically examines available data sources to determine whether consumers who are enrolled in Marketplace coverage with APTC/CSRs are determined eligible for Minimum Essential Coverage (MEC) Medicaid or CHIP.² The Marketplace will notify these consumers that they may no longer be eligible for financial help for a Marketplace plan if dually-enrolled, and if so, that they should immediately end their Marketplace coverage with APTC/CSRs.³

¹ Periodic data matching is conducted for FFM states as well State-based Marketplaces using the federal eligibility and enrollment platform.

² The Periodic Data Match checks to see if consumers are enrolled in Medicaid that qualifies as Minimum Essential Coverage (MEC). Most Medicaid or CHIP is considered MEC; some forms of Medicaid that cover limited benefits (like Medicaid that only covers emergency care, family planning or pregnancy-related services) are not considered MEC. For more information on what Medicaid programs are considered MEC, visit: HealthCare.gov/medicaid-limited-benefits/.

³ The state data that is accessed through the PDM check includes Medicaid and CHIP enrollment data, not data regarding eligibility. Also, the Marketplace does not currently have functionality to take action to end consumers' APTC/CSRs. When such functionality is available, any resulting changes to the PDM process will be included in updated guidance.

Q2: Why would consumers be enrolled in Marketplace coverage with APTC/CSRs and Medicaid or CHIP coverage?

A2: A consumer may experience a life change (e.g., drop in income) making him or her eligible for Medicaid or CHIP, but he or she may fail to end Marketplace coverage with APTC/CSRs after being determined eligible for Medicaid or CHIP. Similarly, consumers who are enrolled in Marketplace coverage with APTC/CSRs may apply for Medicaid or CHIP directly with the state agency and be determined eligible, but fail to end Marketplace coverage with APTC/CSRs. While the Marketplace reinforces in many places the importance of reporting changes directly to the Marketplace and ending Marketplace coverage with APTC/CSRs after being determined eligible for or enrolling in other minimum essential coverage, this notice is a reminder to these consumers who may not have been aware that they need to end their Marketplace coverage with APTC/CSRs after being determined eligible for Medicaid or CHIP.

Q3: What functionality is being used between the Marketplace and states to conduct PDM?

A3: The PDM check verifies coverage using the existing synchronous, Non-Employer Sponsored Insurance (Non-ESI) MEC service to check whether a consumer who is enrolled in Marketplace coverage with APTC/CSRs is also enrolled in Medicaid or CHIP coverage. Since the Marketplace utilizes existing functionality to conduct the data match, there should be no additional burden on the state Medicaid or CHIP agencies.

Q4: How often will the Marketplace send the PDM notice?

A4: The Marketplace will be conducting periodic data matches a few times a year and sending notices accordingly. For 2016, The Marketplace anticipates sending another round of PDM notices in late summer. The future schedule of PDM will be determined based on various factors, including evaluations of previous rounds of PDM.

Q5: What happens when a consumer is identified as being enrolled in Marketplace coverage with APTC/CSRs and Medicaid or CHIP coverage?

A5: The Marketplace notifies each state Medicaid or CHIP agency when the PDM technical execution is complete. Data about dually-enrolled consumers received by the Marketplace from the state Medicaid or CHIP agencies is reviewed and analyzed prior to the release of notices to consumers.

The Marketplace mails paper notices to the household contact for consumers who are found to be dually-enrolled in Marketplace coverage with APTC/CSRs and Medicaid or CHIP, with information including:

- Names of consumers who are found to be dually-enrolled;
- Instructions on how to end Marketplace coverage with APTC;
- A note that no action is needed for consumers who aren't dually-enrolled; and
- Contact information for the state Medicaid or CHIP agency to confirm if enrolled.

Q6: Who receives a PDM notice?

A6: The Marketplace conducted a data match with state Medicaid and CHIP agencies to determine whether consumers who are enrolled in Marketplace coverage with APTC/CSRs are also enrolled in Medicaid or CHIP. The consumers for whom a data match was conducted included those who are enrolled in Marketplace coverage with APTC/CSRs and have validated Social Security numbers in FFM

states and states using the FFM platform which have capacity to process requests through the Non-ESI MEC check service.

The Marketplace sent a notice to the household contact via mail for each application in which a consumer was identified as being enrolled in both Marketplace coverage with APTC/CSRs *and* Medicaid or CHIP. The names of the consumers who were identified as enrolled in both were listed on the notice.

Note: For this Spring 2016 PDM round, the Marketplace was not able to send notices to dually-enrolled consumers in all states because some states were not able to fully participate in PDM or experienced technical issues. Consumers in the following states will not receive notices in this round of PDM: Georgia, Maine, New Hampshire, New Jersey, and Wyoming. (Consumers in these states should refer to Q10 and Q11 below for instructions.) CMS anticipates participation of these states in future rounds of PDM.

Q7: What should a consumer do upon receiving this notice?

A7: If he or she is enrolled in Medicaid or CHIP, the consumer should end his/her Marketplace coverage with APTC/CSRs immediately. There are two ways consumers can do this:

- Visit HealthCare.gov/medicaid-chip/cancelling-marketplace-plan/. Follow the instructions for each person with Medicaid or CHIP. The link above also includes instructions on how to keep their Marketplace plan without premium tax credits and cost-sharing reductions.
- Call the Marketplace Call Center at 1-800-318-2596. TTY users should call 1-855-889-4325.

Once the consumer returns to the Marketplace to update his or her application via HealthCare.gov or the Marketplace Call Center, issuers will automatically be notified to terminate the enrollee's coverage going forward.

Note: Consumers who receive a PDM notice but are no longer enrolled in Medicaid or CHIP do not need to take any further action, though they may wish to contact their state Medicaid or CHIP agency to confirm that they're not enrolled. Also, consumers who have been determined eligible for Medicaid or CHIP but wish to pay full price to remain enrolled in their Marketplace plans may do so by following the instructions at HealthCare.gov/medicaid-chip/cancelling-marketplace-plan/ or by calling the Marketplace Call Center at 1-800-318-2596.

Q8: What is the impact on consumers who are enrolled in both Medicaid or CHIP and a Marketplace plan with APTC/CSRs?

A8: If a Marketplace confirms Medicaid or CHIP enrollment through a periodic data matching process, or a consumer who has APTC reports enrollment in Medicaid or CHIP during the coverage year, the Marketplace must accept the state's decision as a valid eligibility determination and the consumer's eligibility for APTC must be updated to reflect that he or she has other MEC. Therefore, those consumers who are identified as being enrolled in Medicaid or CHIP through the periodic data matching process should return to their application and either end their Marketplace coverage or end their APTC such that financial assistance is no longer being used to cover the consumer in the Marketplace. Generally consumers enrolled in Medicaid or CHIP have free or lower cost coverage compared to Marketplace coverage.

In accordance with recent guidance from the Internal Revenue Service (IRS), if a Marketplace makes a determination or assessment that an individual is ineligible for Medicaid or CHIP and eligible for APTC when the individual enrolls in Marketplace coverage, the individual is treated as not eligible for Medicaid or CHIP for purposes of the premium tax credit while he or she is enrolled in Marketplace coverage for that year. Therefore, tax filers may be eligible for the premium tax credit for the months in which consumers in their tax household were enrolled in a Marketplace plan with APTC and Medicaid or CHIP.⁴

Q9: What if the consumer does not believe he or she is enrolled in Medicaid or CHIP?

A9: If a consumer doesn't think that he or she is enrolled in Medicaid or CHIP, the consumer should contact the state Medicaid or CHIP agency to confirm that he or she is not enrolled.

Q10: What if a consumer was not notified of his or her enrollment in Medicaid or CHIP but believes he or she may be enrolled in Medicaid or CHIP and Marketplace coverage with APTC/CSRs?

A10: If a consumer did not receive a PDM notice but believes he or she is enrolled in both Medicaid or CHIP and a Marketplace plan with APTC/CSRs, he or she should contact the state Medicaid or CHIP agency and the Marketplace to confirm his or her enrollment statuses. If he or she is enrolled in both Medicaid or CHIP and Marketplace coverage with APTC/CSRs, the consumer should visit HealthCare.gov/medicaid-chip/cancelling-marketplace-plan/ or contact the Marketplace Call Center at 1-800-318-2596 for instructions on how to end the Marketplace coverage with APTC. If the consumer learns from the state Medicaid or CHIP agency that he or she has been determined eligible for Medicaid or CHIP but is not enrolled in that coverage, the state agency should help the consumer complete enrollment.

Q11: What if the consumer is enrolled in Medicaid or CHIP but believes he or she is actually eligible to remain enrolled in Marketplace coverage with APTC/CSRs?

A11: A consumer may believe he or she is eligible to remain enrolled in Marketplace coverage with APTC/CSRs if he or she experienced a change in household or income that makes him or her no longer eligible for Medicaid or CHIP. The consumer should contact his or her state Medicaid/CHIP agency to inform them of the change and receive a redetermination of eligibility for Medicaid or CHIP. If the consumer is found no longer eligible for Medicaid or CHIP, the consumer can remain in his or her Marketplace coverage with APTC/CSRs, if otherwise eligible.

Q12: Is this the first time the PDM notice is being sent to consumers?

A12: No. The Marketplace sent PDM notices to consumers for the first time in September 2015, informing them that they were identified as being enrolled in a Marketplace plan with APTC/CSRs as well as Medicaid or CHIP, and providing them with instructions to end their Marketplace plan with APTC/CSRs.

⁴ <https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/Questions-and-Answers-on-the-Premium-Tax-Credit>

Q13: Do coordination of benefits and third party liability (COB/TPL) apply during the time that the consumer was dually enrolled in Medicaid and Marketplace coverage with APTC?

A13: State Medicaid or CHIP agencies should follow their normal COB/TPL practices for Medicaid. Medicaid should remain the payer of last resort.

Q14: Can State-based Marketplaces (SBMs) use this functionality? Do they have the same obligations regarding terminating APTC/CSRs?

A14: The periodic data matching functionality discussed here is a process used specifically with state Medicaid and CHIP agencies in states in which Medicaid and CHIP eligibility are determined or assessed by the Marketplace. State-based Marketplaces are also required to conduct periodic data matching, as specified in 155.330(d).

Q15: Will consumers who are notified that they are dually-enrolled be able to retroactively terminate their Marketplace coverage with APTC/CSRs?

A15: The Marketplace generally will not provide retroactive terminations for Marketplace coverage for dually-enrolled consumers. For this reason, we urge consumers who are determined eligible for or enrolled in Medicaid or CHIP to end their Marketplace coverage with APTC immediately.