

Summer 2017 Medicaid/CHIP Periodic Data Matching - External FAQ

Consumers who are determined eligible for or are enrolled in coverage through Medicaid or CHIP that counts as qualifying health coverage (also known as minimum essential coverage, or 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 Marketplaces and State-based Marketplaces using the federal eligibility and enrollment platform (Marketplace)¹ have 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 that counts as qualifying coverage (dually enrolled consumers). The consumers for whom a data match was conducted included those who have validated Social Security numbers, in Marketplaces that have capacity to process requests through the non-Employer-Sponsored Insurance (non-ESI) MEC check service.

In June 2017, the Marketplace will send an **initial warning notice** to the household contact for each dually enrolled consumer, requesting that they take immediate action to respond to the notice. The notice includes the names of those consumers who have been identified as dually-enrolled and instructions on how to respond to the notice: inform the Marketplace that they're not enrolled in Medicaid/CHIP that counts as qualifying coverage, or end their Marketplace coverage with APTC/CSRs. The notice will be mailed and/or posted (depending on what the household contact selected as their communication preference) to the Marketplace account of the household contact for the affected consumer. The notice will include the names of those consumers who were identified as dually-enrolled and instructions on how to respond to the notice.

- Note: Notices will not be sent to those affected consumers who had an open, Non-ESI MEC data matching issue at the time of this data match, since those consumers will have already received notices from the Marketplace regarding their enrollment in Medicaid or CHIP coverage.

In summer 2017, at least 30 days after sending the initial notice, the Marketplace will send a **second, final notice** to the household contact for applications with affected consumers who did not update their Marketplace application by the date on the initial warning notice to reflect that they're not enrolled in MEC Medicaid or CHIP, or end their Marketplace coverage with APTC/CSRs, informing them that the Marketplace will be ending their financial assistance. This notice also alerts the household contact for affected consumers that Marketplace coverage for these consumers will continue without financial help and they will need to end their Marketplace coverage if they no longer wish to be enrolled in that coverage at full cost. For unaffected household members, Marketplace coverage will continue, and the Marketplace will redetermine their eligibility for APTC/CSRs, if applicable. The Marketplace will send the final notice and a new eligibility determination notice for all consumers in the household, to inform them of the change in financial help. These notices will also be posted to the consumer Marketplace accounts, as applicable.

This document is for state Medicaid and CHIP agencies, to help inform them about the technical and operations aspects of Medicaid/CHIP Periodic Data Matching (PDM). States should refer to this updated

¹ References to the Marketplace refer throughout to the Federally-facilitated Marketplace and State-based Marketplaces using the federal platform.

document for the latest information regarding Medicaid/CHIP PDM, as it provides updates to the Medicaid/CHIP PDM FAQs that were published previously; significant, substantive changes from the previous FAQ are highlighted. This document will be updated as necessary to reflect changes in this process. The Marketplace will continue to conduct regular periodic data matches with state Medicaid and CHIP agencies, send notices to consumers, and take appropriate action regarding consumers' eligibility.

General Questions about Medicaid/CHIP Periodic Data Matching

Q1: What is Medicaid/CHIP 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 are not eligible for financial help for their share of a Marketplace plan premium and covered services if they are dually-enrolled; in this case, they should immediately end their Marketplace coverage with APTC/CSRs by the date indicated in the initial warning notice. As described in Marketplace regulations at 45 CFR 155.330(e), if affected consumers fail to return to the Marketplace to update their Marketplace application to reflect that they're not dually-enrolled or end Marketplace coverage with APTC/CSRs, the Marketplace will end any APTC/CSRs being paid on their behalf. The Marketplace will notify these consumers that their Marketplace coverage will continue without financial help and they will need to end their Marketplace coverage if they no longer wish to be enrolled in that coverage. For unaffected household members, Marketplace coverage will continue, and the Marketplace will redetermine their eligibility for APTC/CSRs, if applicable.

Q2: How often is Medicaid/CHIP PDM conducted?

A2: The Marketplace conducts Medicaid/CHIP PDM at least once during the coverage year and sends notices accordingly. The future schedule of Medicaid/CHIP PDM will be determined based on various factors, including evaluations of previous rounds of Medicaid/CHIP PDM.

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

A3: The Medicaid/CHIP 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 technological burden on the state Medicaid or CHIP agencies.

Q4: What is the impact on consumers' eligibility for financial help when they are enrolled in both Medicaid/CHIP and a Marketplace plan with APTC/CSRs?

A4: Consumers who are enrolled in MEC Medicaid or CHIP coverage are not eligible for APTC/CSRs for their share of a Marketplace plan premium and covered services. If identified as dually enrolled through

² The state data that is accessed through the Medicaid/CHIP PDM check includes Medicaid and CHIP enrollment data, not data regarding eligibility. Medicaid/CHIP PDM checks to see if consumers are enrolled in Medicaid or CHIP coverage that counts as qualifying health coverage (also known as Minimum Essential Coverage or MEC). Most Medicaid is considered qualifying coverage; some forms of Medicaid that cover limited benefits (like Medicaid that only covers emergency care, family planning or pregnancy-related services) are not considered qualifying coverage. For more information on what Medicaid programs are considered MEC, visit: <https://www.healthcare.gov/medicaid-limited-benefits/>.

the periodic data matching process, the Marketplace will notify affected consumers of their dual enrollment status. If these consumers do not return to the Marketplace to update their application information to show that they're not enrolled in Medicaid or CHIP that counts as qualifying coverage, or end their Marketplace coverage with APTC/CSRs by the date indicated in the initial warning notice, the Marketplace will end the APTC/CSRs being paid on their behalf for their share of the Marketplace plan premium and covered services, consistent with 45 CFR 155.330. Consumers will remain enrolled in their Marketplace plan without financial assistance and will be responsible for paying the full cost for their share of the Marketplace plan premium and covered services.

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 they are enrolled in Marketplace coverage for that year.³

Q5: Are there other places besides Medicaid/CHIP PDM notices that consumers are informed that they should end their Marketplace coverage with APTC/CSRs if they are also enrolled in Medicaid or CHIP that counts as qualifying coverage?

A5: In addition to providing information on HealthCare.gov, the Marketplace has published content in a number of venues to help address issues related to enrollment in a Marketplace plan with APTC/CSRs once a consumer is determined eligible for Medicaid or CHIP.

- When selecting a Marketplace plan with APTC/CSRs, consumers must attest that they understand their responsibility to end their Marketplace coverage with APTC/CSRs if they become eligible for other qualifying coverage (including Medicaid and CHIP).
- The Marketplace eligibility determination notice (EDN) that consumers receive after submitting their application for coverage includes clear language regarding consumer responsibility to actively end Marketplace coverage with APTC/CSRs upon becoming eligible for other qualifying coverage.
- The Medicaid/CHIP PDM initial warning notice regarding a consumer's dual-enrollment will be available in the Application Details section of the dually-enrolled consumer's Marketplace account, as applicable, with a timer to notify them of the deadline to make updates to the application or end Marketplace coverage with APTC/CSRs, before the Marketplace takes action to end financial assistance on the consumer's behalf.

Q6: How will consumers identify the Medicaid/CHIP PDM notices, and what do the notices say?

A6: The subject of the initial warning notice reads *"Warning: People in your household may lose financial help for their Marketplace coverage."* The notice lists the dually-enrolled consumers, and provides instructions to either end their Marketplace coverage with APTC/CSRs, or update their Marketplace application to tell the Marketplace that they're not enrolled in Medicaid or CHIP that counts as qualifying coverage. The notice also provides instructions for consumers who want more information about Medicaid or CHIP, who aren't sure if their Medicaid or CHIP coverage qualifies as MEC, or who aren't sure whether they're enrolled in or have been determined eligible for Medicaid or CHIP that counts as qualifying coverage.

³ https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/Questions-and-Answers-on-the-Premium-Tax-Credit_question_26

The subject of the final notice reads *“IMPORTANT: People in your household are still enrolled in a Marketplace plan but will no longer receive financial help for their coverage.”* The notice lists the dually-enrolled consumers who did not take action by the date in the initial warning notice, tells them the date that Marketplace coverage without financial assistance becomes effective, and alerts the impacted consumers that they should end Marketplace coverage immediately if they don’t want to pay full cost for their share of the Marketplace plan premium and covered services. The notice also provides instructions for consumers who want more information about Medicaid or CHIP, who aren’t sure if their Medicaid or CHIP coverage qualifies as MEC, OR who aren’t sure whether they’re enrolled in or eligible for Medicaid or CHIP that counts as qualifying coverage, as well as information on how to submit an appeal to the Marketplace if a consumer believes their financial assistance was ended incorrectly.

Copies of both notices are available in English and Spanish.

Q7: Are there estimates of how many beneficiaries are impacted by Medicaid/CHIP PDM?

A7: At this time, CMS does not provide numbers regarding the number of consumers impacted by Medicaid/CHIP PDM.

Q8: Can a consumer who is eligible for Medicaid or CHIP coverage that constitutes counts as qualifying coverage keep their Marketplace plan?

A8: Yes, if otherwise eligible for Marketplace coverage, such a consumer may keep their Marketplace plan. If a consumer still wants a Marketplace plan after being determined eligible for Medicaid or CHIP that counts as qualifying coverage, they will not be eligible for any financial assistance to reduce the cost of their Marketplace plan.

Q9: If a consumer is enrolled in a Marketplace plan with APTC/CSRs and is determined eligible for non-MEC Medicaid, can they remain enrolled in a Marketplace plan with APTC/CSRs?

A9: Consumers who are determined eligible for or enrolled in Medicaid or CHIP that qualifies as MEC are not eligible for APTC/CSRs to help pay for a Marketplace plan premium and covered services. If a consumer is enrolled in a Medicaid program that is not considered MEC, they may enroll/remain enrolled in a Marketplace plan with APTC/CSRs, if otherwise eligible.

Q10: If a consumer is enrolled in Marketplace coverage with APTC/CSRs and is eligible for Medicaid medically-needy coverage with a spenddown, do they need to end their Marketplace coverage with APTC/CSRs?

A10: Individuals who qualify for comprehensive medically-needy Medicaid coverage only after they meet a spenddown amount will not receive coverage that is recognized as qualifying coverage. Individuals who meet a state’s medically-needy income level without a spenddown requirement will have comprehensive coverage that is recognized as qualifying coverage, if the state has elected to provide comprehensive medically-needy Medicaid coverage. In states that do not provide medically-needy coverage that is comprehensive, medically-needy individuals will not receive coverage that counts as qualifying coverage, regardless of whether they have to meet a spenddown amount. Consumers who are enrolled in Marketplace coverage with APTC/CSRs and Medicaid that does not count as qualifying coverage do not need to end their Marketplace coverage with APTC/CSRs.

Q11: What if a consumer who receives the Medicaid/CHIP PDM initial warning notice does not believe they are enrolled in Medicaid or CHIP?

A11: If a consumer receives a Medicaid/CHIP PDM initial warning notice, but doesn't think that they are enrolled in Medicaid or CHIP that counts as qualifying coverage, the consumer should contact the state Medicaid or CHIP agency as soon as possible to confirm their enrollment status. If the consumer is not eligible for or enrolled in Medicaid or CHIP that counts as qualifying coverage, the consumer should return to the Marketplace to update their application information to reflect that they are not enrolled in Medicaid or CHIP. As the consumer updates their application, the Marketplace will check again with the state Medicaid or CHIP agency in real time to confirm whether they are enrolled in Medicaid or CHIP that counts as qualifying coverage. If the state Medicaid or CHIP agency tells the Marketplace that the consumer is enrolled in Medicaid or CHIP, a data matching issue will be generated and the consumer will be asked on their Eligibility Determination Notice to send in documentation proving they are not enrolled in Medicaid or CHIP that counts as qualifying coverage. This may include a Medicaid termination notice. The consumer will have a period of 90 days to send in that documentation or risk losing APTC/CSRs.

If the consumer learns from the state Medicaid/CHIP agency that they are eligible for Medicaid or CHIP that counts as qualifying coverage, they should end their Marketplace coverage with APTC/CSRs immediately. If affected consumers do not take action by the date on the notice (i.e., within 30 days from the date of the notice), the Marketplace will end any APTC/CSRs being paid on their behalf for their share of a Marketplace plan premium and covered services, and redetermine eligibility for APTC/CSRs for remaining consumers on the application, as appropriate.

Q12: What if a consumer was not notified of their enrollment in Medicaid or CHIP because the state did not participate in Medicaid/CHIP PDM, but believes that they may be dually-enrolled?

A12: If a consumer is enrolled in a Marketplace plan with APTC/CSRs and believes they are also enrolled in Medicaid or CHIP that counts as qualifying coverage (or vice versa) but did not receive a confirmation of Medicaid or CHIP enrollment or Marketplace plan enrollment, or a Medicaid/CHIP PDM initial warning notice, they should contact the state Medicaid or CHIP agency and the Marketplace. If they are enrolled in both Medicaid or CHIP and Marketplace coverage with APTC/CSRs, the consumer should visit [healthcare.gov/medicaid-chip/cancelling-marketplace-plan/](https://www.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/CSRs. If the consumer learns from the state Medicaid or CHIP agency that they have been determined eligible for Medicaid or CHIP but is not enrolled in that coverage, the state agency will help the consumer complete enrollment. If the consumer learns from the Marketplace that they are not enrolled in a Marketplace plan, the consumer may enroll in Marketplace coverage, if otherwise eligible.

Q13: What if a consumer is enrolled in Medicaid or CHIP that counts as qualifying coverage and Marketplace coverage with APTC/CSRs, but believes they are actually eligible to remain enrolled in Marketplace coverage with APTC/CSRs?

A13: A consumer who's enrolled in Marketplace coverage with APTC/CSRs and Medicaid or CHIP that counts as qualifying coverage may believe they are eligible to remain enrolled in Marketplace coverage with APTC/CSRs if they experienced a change in household or income that makes them no longer eligible for Medicaid/CHIP that counts as qualifying coverage. The consumer should contact the state Medicaid/CHIP agency to inform them of these circumstances. If the state Medicaid or CHIP agency informs the consumer that they are no longer eligible for Medicaid or CHIP that counts as qualifying coverage, the consumer should update their Marketplace application to state that they are not enrolled

in Medicaid or CHIP that counts as qualifying coverage; they can remain in their Marketplace coverage with APTC/CSRs, if otherwise eligible.

Q14: What obligation do consumers have to notify their State Medicaid or CHIP agency of changes in circumstances mid-year?

A14: Consumers enrolled in Medicaid/CHIP coverage are required to report any changes they have, and states have an obligation to act on reported changes in a timely manner. Different states have different ways of effectuating this policy. The regulations regarding reporting of changes can be found at 42 CFR 435.916.

Q15: What is the difference between a Data Matching Issue (DMI) notice and a Medicaid/CHIP PDM notice?

A15: A data matching issue, or DMI, occurs when a consumer completes a Marketplace application and the Marketplace cannot immediately verify information provided by the consumer or it finds that Marketplace data sources conflict with information provided by the consumer. For example, a DMI is generated if the Marketplace finds that a consumer who is otherwise eligible for APTC and attests that they are not enrolled in other qualifying coverage is enrolled in Medicaid or CHIP that counts as qualifying coverage. When a DMI is generated in this situation, the Marketplace requests that a consumer submit documentation within 90 days to prove that they are not enrolled in Medicaid or CHIP that counts as qualifying coverage. During the 90 days, a consumer will be able to enroll (or remain enrolled) in Marketplace coverage with APTC/CSRs, if otherwise eligible. If consumers do not submit sufficient documentation to resolve their DMI within the timeframe, the Marketplace will end their APTC/CSRs and they will remain enrolled in coverage through the Marketplace without financial help.

Medicaid/CHIP PDM is a process the Marketplace uses at various times during the coverage year to identify, notify, and reduce the number of consumers who are enrolled in Marketplace coverage with APTC/CSRs and MEC Medicaid or CHIP. Consumers who receive a Medicaid/CHIP PDM initial warning notice and are enrolled in Medicaid or CHIP that counts as qualifying coverage should immediately end their Marketplace coverage with APTC/CSRs. If consumers do not take action by the date on the notice (within 30 days from the date of the notice), the Marketplace will end any APTC/CSRs being paid on their behalf for their share of a Marketplace plan premium and covered services, and redetermine eligibility for APTC/CSRs for remaining consumers on the application, as appropriate.

Q16: 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?

A16: State Medicaid or CHIP agencies should follow their normal COB/TPL practices for Medicaid. Medicaid should remain the payer of last resort.

Q17: Will consumers who are notified that they are dually-enrolled be able to retroactively terminate their Marketplace coverage with APTC/CSRs?

A17: The Marketplace generally will not provide retroactive terminations for Marketplace coverage for dually-enrolled consumers. We urge consumers who are determined eligible for or enrolled in Medicaid or CHIP to end their Marketplace coverage with APTC/CSRs immediately.

Q18: What happens if a consumer takes no action after receiving a Medicaid/CHIP PDM initial warning notice? Will the Marketplace automatically end their APTC/CSRs?

A18: Yes. The Marketplace will end any APTC/CSRs being paid on behalf of dually-enrolled consumers who do not take appropriate action by the date on the Medicaid/CHIP PDM initial warning notice;

affected consumers will be notified via a final notice from the Marketplace. For anyone in the same household who is not listed in the final notice and still enrolled in a Marketplace plan, their Marketplace coverage will continue and the Marketplace will redetermine their eligibility for APTC/CSRs, as applicable. The Marketplace will send an updated eligibility determination notice to inform consumers of changes to their financial assistance.

Note that for consumers who successfully responded to the initial warning notice by the date listed in the notice, by either ending their Marketplace coverage with APTC/CSRs or updating their Marketplace application to reflect that they are not enrolled in Medicaid/CHIP that counts as qualifying coverage, the Marketplace will not end APTC/CSRs on their behalf and they will not receive a final notice.

Q19: What should a consumer do if they disagree with the Marketplace's decision to end their APTC/CSRs as part of Medicaid/CHIP PDM?

A19: In many cases, consumers can appeal the Marketplace's decision about their household's eligibility for health coverage, including eligibility for APTC and CSRs. Generally, consumers have 90 days from the date of the final notice notifying them that they will no longer receive APTC/CSRs to request an appeal with the Marketplace. They can represent themselves or appoint a representative to help them with their appeal. This person can be a friend, relative, lawyer, or someone else. They can ask to keep their eligibility during their appeal. If they were previously eligible for Marketplace coverage or financial assistance and their eligibility is changed, they can appeal this change. In this case, they may be able to keep their previous eligibility during their appeal. The outcome of an appeal could change the eligibility of other members of their household even if they don't ask for an appeal. Information regarding a consumer's right to appeal and instructions on how to do so are included in the final notice and the EDN they receive.

Q20: Will Medicaid/CHIP PDM detect dual enrollment in a Marketplace plan with APTC/CSRs and MEC Medicare?

A20: Medicaid/CHIP PDM is a process the Marketplace uses periodically during the coverage year to identify, notify and reduce the number of consumers who are enrolled in Marketplace coverage with APTC/CSRs and Medicaid or CHIP that qualifies as MEC. The Marketplace sends the household contact for affected (dually-enrolled) consumers a Medicaid/CHIP PDM initial warning notice; they are informed that specific action should be taken immediately regarding the affected consumers. If consumers do not take appropriate action by the date on the notice (within 30 days from the date of the notice), the Marketplace will end any APTC/CSRs being paid on dually enrolled consumers' behalf for their share of a Marketplace plan premium and covered services, and will redetermine eligibility for APTC/CSRs for remaining consumers on the application, as applicable. The Marketplace will send a final notice, as well as an updated eligibility determination notice, to the household contact for affected consumer, to inform the household of the change in financial help.

Medicare Periodic Data Matching (Medicare PDM) is a process the Federally-facilitated Marketplace uses periodically during the coverage year to identify and notify consumers who are enrolled in Marketplace coverage and Medicare that qualifies as MEC (Part A or Part C). Consumers who receive a Medicare PDM notice are encouraged to follow the instructions listed on their notice to end their Marketplace coverage.

In February 2017, the Marketplace conducted Medicare PDM for consumers aged 65+ who were found to be enrolled in a Marketplace plan against Medicare data to identify consumers who may be dually-

enrolled in MEC Medicare *and* a Marketplace plan. This round of notices to consumers was sent in March 2017.