

## Summer/Fall 2016 Periodic Data Matching - FAQs

Consumers who are determined eligible for or 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 Marketplaces and State-based Marketplaces using the federal eligibility and enrollment platform (Marketplace)<sup>1</sup> 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. 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 summer/fall 2016, the Marketplace will implement new functionality to end APTC/CSRs on behalf of a consumer when the consumer is found to be enrolled in Marketplace coverage with APTC/CSRs *and* Medicaid or CHIP, and fails to respond to an initial warning notice.

In August 2016, the Marketplace will send an **initial warning notice** to the household contact for each affected consumer, requesting that they take immediate action to respond to the notice. The notice will be mailed and will also be posted 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-Employer Sponsored Insurance 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 fall 2016, 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 dually-enrolled, or end their Marketplace coverage with APTC/CSRs, informing them that the Marketplace will be ending their financial assistance. This notice also alerts 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 recalculate 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.

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 spring 2016. This document will be updated as necessary to reflect changes in this

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

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 Periodic Data Matching**

#### ***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.<sup>2</sup> 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 by the date indicated in the notice.<sup>3</sup> 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 recalculate their eligibility for APTC/CSRs, if applicable.

#### ***Q2: What functionality is being used between the Marketplace and states to conduct PDM?***

**A2:** 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 technological burden on the state Medicaid or CHIP agencies.

#### ***Q3: What is the impact on a consumers' eligibility for financial help when they enrolled in both Medicaid/CHIP and a Marketplace plan with APTC/CSRs?***

**A3:** If a Marketplace confirms Medicaid or CHIP enrollment through a periodic data matching process, or a consumer on whose behalf APTC are being paid 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/CSRs 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.

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<sup>2</sup> 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/](https://www.healthcare.gov/medicaid-limited-benefits/).

<sup>3</sup> The state data that is accessed through the PDM check includes Medicaid and CHIP enrollment data, not data regarding eligibility.

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.<sup>4</sup>

***Q4: Is this the first time these PDM notices are being sent to consumers?***

**A4:** The Marketplace previously sent PDM notices to consumers in September 2015 and May 2016, 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.

In summer/fall 2016, the Marketplace will implement new functionality to enable it to end APTC/CSRs when a consumer is found during a data match to be enrolled in Marketplace coverage with APTC/CSRs *and* Medicaid or CHIP. Dually-enrolled consumers will receive an initial warning notice and, if appropriate, a final notice alerting them that their financial help is ending.

This summer/fall, the 2016 PDM process also includes new online support for consumers receiving PDM notices. Consumers will now be able to view their notices electronically on their Marketplace account, and access dynamic instructions and a user guide for next steps tailored to their particular circumstances. Those consumers who disagree with the notice and who are not enrolled in Medicaid or CHIP will be instructed to update their application information to confirm that they are not enrolled in Medicaid or CHIP.

***Q5: Are there other places besides these PDM notices that consumers are informed that they should end their Marketplace coverage with APTC if they are enrolled in Medicaid or CHIP?***

**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, consumers must attest that they understand their responsibility to end their Marketplace coverage with APTC/CSRs if they become eligible for other minimum essential 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 upon becoming eligible for other minimum essential coverage.
- The 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, with a timer to notify them of the deadline to make updates to the application or end Marketplace coverage with APTC, before the Marketplace takes action to end financial assistance on the consumer's behalf.

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<sup>4</sup> [https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/Questions-and-Answers-on-the-Premium-Tax-Credit\\_question\\_26](https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/Questions-and-Answers-on-the-Premium-Tax-Credit_question_26)

***Q6: Can a consumer who is eligible for Medicaid or CHIP coverage that constitutes MEC keep their Marketplace plan?***

**A6:** Yes, if otherwise eligible for Marketplace coverage, such a consumer may keep his or her Marketplace plan. If a consumer still wants a Marketplace plan after being determined eligible for Medicaid or CHIP that qualifies as minimum essential coverage, they will not be eligible for any financial assistance to reduce the cost of their Marketplace plan.

***Q7: What if the consumer does not believe he or she is enrolled in Medicaid or CHIP after receiving the initial notice?***

**A7:** 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 as soon as possible to confirm his or her enrollment statuses. If the consumer is not eligible for or enrolled in Medicaid or CHIP, the consumer should return to the Marketplace to update their application information to confirm that they are not enrolled in Medicaid or CHIP.

As the consumer updates his or her application, the Marketplace will check again with the State Medicaid or CHIP agency in real time to confirm whether he or she is enrolled in Medicaid or CHIP. If the State Medicaid or CHIP agency tells us that he or she is enrolled in Medicaid or CHIP, a data matching issue will be generated and the consumer will be asked on their Eligibility Notice to send in documentation proving they are not enrolled in Medicaid or CHIP. This may include a Medicaid termination notice. They will have a period of 90 days to send in that documentation or risk losing APTC/CSRs. During this time, they will remain eligible to enroll in a Marketplace plan with APTC or CSRs, if otherwise eligible.

***Q8: What if a consumer was not notified of his or her enrollment in Medicaid or CHIP because the state did not participate in PDM but believes that he or she may be enrolled in Medicaid or CHIP and Marketplace coverage with APTC/CSRs?***

**A8:** If a consumer believes he or she is enrolled in Medicaid or CHIP and enrolled in a Marketplace plan with APTC/CSRs but did not receive a confirmation of Medicaid or CHIP enrollment or an initial warning notice, he or she should contact the state Medicaid or CHIP agency and the Marketplace. 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/](https://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 will help the consumer complete enrollment.

***Q9: 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?***

**A9:** 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/CHIP. The consumer should contact the state Medicaid/CHIP agency to inform them of these circumstances. If the Medicaid or CHIP agency informs the consumer that he or she is not or is no longer eligible for Medicaid or CHIP, the consumer should return to the Marketplace and update his or her application to state that he or she is not enrolled in Medicaid or CHIP; he or she can remain in his or her Marketplace coverage with APTC/CSRs, if otherwise eligible.

***Q10: What is the difference between a Data Matching Issue (DMI) notice and a PDM notice?***

**A10:** 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 applicant. For example, a DMI is generated if the Marketplace finds that a consumer who is otherwise eligible for APTC and attests that he or she is not enrolled in other MEC is enrolled in Medicaid or CHIP. When a DMI is generated in this situation, the Marketplace requests that a consumer submit documentation within 90 days to prove that he or she is not enrolled in Medicaid or CHIP. 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.

PDM is a process the Marketplace uses periodically during the coverage year to identify and notify consumers who are enrolled in Marketplace coverage with APTC/CSRs *and* MEC Medicaid or CHIP. Consumers who receive a PDM initial warning notice and are enrolled in Medicaid or CHIP should immediately end their Marketplace coverage with APTC. 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 redetermine eligibility for APTC/CSRs for remaining consumers on the application, as appropriate.

**Q11: 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?**

**A11:** State Medicaid or CHIP agencies should follow their normal COB/TPL practices for Medicaid. Medicaid should remain the payer of last resort.

**Q12: Will consumers who are notified that they are dually-enrolled be able to retroactively terminate their Marketplace coverage with APTC/CSRs?**

**A12:** 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.

**Q13: What happens if a consumer takes no action after receiving the initial warning notice? Will the Marketplace automatically end his or her APTC/CSRs?**

**A13:** Yes. Starting in summer/fall 2016, new functionality will allow the Marketplace to take action on consumers who do not respond to the initial warning notice. After the date on the notice, the Marketplace will end any APTC/CSRs being paid on behalf of those dually-enrolled consumers for their share of a Marketplace plan premium. 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 recalculate their eligibility for APTC/CSRs, as applicable. The Marketplace will send a final notice and 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 the fact that they are not enrolled in or eligible for Medicaid/CHIP, the Marketplace will not end APTC/CSRs on their behalf and they will not receive a final notice.

***Q14: What should a consumer do if they disagree with the decision of the Marketplace to end their APTC and CSRs?***

**A14:** A consumer can appeal the Marketplace’s decision about his or her eligibility for health coverage, including eligibility for APTC and CSRs, within 90 days from the date of the notice. A consumer may appoint an Authorized Representative to help with his or her appeal, or may participate on his or her own. If a consumer requests an appeal, he or she may be able to maintain eligibility for coverage while the appeal is pending. Note that the outcome of an appeal could change the eligibility of other household members on the consumer’s Marketplace account, even if they do not 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.