

CENTERS FOR MEDICARE & MEDICAID SERVICES

Moderator: Debby Higgins
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2:30 p.m. ET

Operator: Good afternoon. My name is (Leanne) and I will be your conference operator today. At this time, I would like to welcome everyone to the National Training Program Monthly Update Webinar.

All lines have been placed on mute to prevent any background noise. After the speakers' remarks, there will be a question and answer session. If you would like to ask a question during this time, simply press star followed by the number one on your telephone keypad. If you would like to withdraw your question, please press the pound key. Thank you.

Debby Higgins, you may begin your conference.

Debby Higgins: Thank you (Leanne). Hi everybody and thanks for joining us today. We apologize for canceling the webinar last month, but we had some technical difficulties that we weren't able to be resolved, so again we apologize.

Today, we're going to have four presentations. David Santana from the Division of Training will provide an overview of the CMS Calendar of Medicare Data, the information releases and dates and discuss when to expect certain updated information and then Lindsay Smith from the Division of Enrollment and Eligibility Policy and the Medicare Enrollment and Appeals Group will provide an update on two of the Medicare enrollment forms that are now online.

Then, we're going to have Sarah Galliot from the Division of Consumer Assessment and Plan Performance and the Medicaid – Medicare Drug Benefit

and C and D Data Group discuss the five star ratings, how to determine and what criteria is used and then we're going to finish up with Susan Razik from the Division of Training and she's going to provide a presentation on getting ready for tax season. She will discuss the connections between the marketplace coverage and federal income taxes.

As a reminder, today's call is going to be muted during the presentation and after each presentation, you're going to have an opportunity for questions and answers and (Leanne) will again give you instructions on how you can ask your questions. If you have questions during the presentations, you can feel free to send your questions via the Q&A chat box located on the left-hand side of your screen and the materials for today's call are also available and are listed on the left-hand side of your screen in the download today's call share box. There are quite a few of them today so feel free to download them when you can.

I also want to remind you that this call is intended as an informational call for partners. It's not intended for press purposes and it's not on the record so if you're a member of the press, please e-mail our press office at press@cms.hhs.gov. This CMS National Training Program webinar provides basic information on the Medicare and – marketplace and Medicare Program and you should always consult the relevant statutes, regulations and rules for official legal guidance and with that, I'm going to turn the call over to David. David?

David Santana: Thank you Debby and hello everyone. Today as Debby mentioned, I have two quick updates to provide.

So the first document that you see in the screen is the CMS Calendar of Data Information Releases and later we're going to see the second update, which is the 2015 Federal Poverty Guidelines, which includes the new numbers on the Medicare and Medicaid eligible individuals or what we call the Medicare Savings Program.

So let's begin with the – with the CMS Calendar Information Releases. So the purpose of this calendar is to provide you with Medicare Program information updates and release dates.

For example, we had numerous requests towards the end of the year every year about the Federal Poverty Guidelines and when are we going to be seeing those numbers. So in January of each year, be in the lookout for the Federal Poverty Level Guidelines and again since 2006 we have been releasing those numbers in January so I know many individuals start inquiring about this information back in November and December so again in January, be in the lookout for the Federal Poverty Guidelines for the corresponding year. Also in January, we'll – we're (making involved) with the Dialysis Compare Star Rating Information.

In February, be in the lookout for the draft call letter. This call letter will show proposed changes to the Medicare Part C and D following the trend and open enrollment opened. This will be opened for comments. So again, this information will be released in February.

In April, we'll release our final call letter that we – that we published in February in the form of draft letter. This letter will incorporate comments that we received and we'll provide final guidance regarding the changes on the Medicare Part C and D Program for the following plan year.

In August, we will release the initial Part C and D plan data for the following year including figures such as the national average premium, the base beneficiary premium, regional low income subsidy, benchmark as well as the Part D IRMAA amount or Income-Related Monthly Adjustment Amount.

In September, the Part C and D plan landscape files are released, which provide an initial high-level look at the Part C and D plans that will be offered in each of the states for the following year. Also we start mailing the Medicare new handbook to beneficiary household with local plan data.

And finally in October, we release the full Medicare Part C and D plan data and updated Part C and D star rating. Now, both of those pieces of

information can be found or will be displayed on the Medicare Plan Finder Web site.

From October to mid-November, be in the lookout for Medicare Part A and B premium deductibles and Part A copayment amounts as well as update information with extra (help) limits for the following year.

Now, the slide that you see on the screen shows the Federal Poverty Guidelines for 2015, which we released last week. As require by Section 673 of the OBRA law of 1981, the Department of Health and Human Services update the Federal Poverty Guidelines at least once every year and those updates are applied to eligibility criteria for programs such as the Medicaid and the Children Health Insurance Program.

Now for the federally facilitated marketplace, we began using the 2015 Federal Poverty Guidelines for the Medicaid and the CHIP Program in February so a couple of days ago. However, as require by law, the advanced premium tax credit as well as coshare reduction will continue to be determined using 2014 Federal Poverty Guidelines for advanced premium tax credit as well as coshare reduction for enrollment that is affected in 2015.

Now, the last document is the 2015 Dual Eligible Standards Chart that will display the new standard for the Medicare Savings Programs categories. Now, those standards are also available on the medicaid.gov Web site if you wanted to have access to that information. So those are pretty much my two quick updates for today so thank you.

Debby Higgins: (Leanne), you can open the lines up for David.

Operator: And again if you would like to ask a question, please press star one on your telephone keypad.

Debby Higgins: David, there is just a comment. Someone said just for your information, the MSP Guidelines although available in January in Arizona, these MSP values are not effective until April the 1st.

David Santana: Thanks for the comments and although those are the National Guidance for the MSP Programs, those can vary by states so thanks for the comment. I appreciate it.

Debby Higgins: And then we had another comment. That's the same in Missouri.

David Santana: Thank you Missouri.

Debby Higgins: (Leanne), is there anything for David?

Operator: And we have no questions on the phone.

Debby Higgins: Hold on. I think we just got one more question. When did the new income limits take effect for the LIS?

David Santana: For the LIS, they are effective right away.

Debby Higgins: Next, we're going to have Lindsay Smith who is going to discuss the update on the enrollment forms and Lindsay give us a second, we'll put up your presentation.

Lindsay Smith: OK thanks. Good afternoon everyone. As Debby said, my name is Lindsay Smith and I work in the Medicare Enrollment and Appeals Group and today I'm going to give a brief overview of the Form CMS-40B and CMS-L564.

So basically over the past year, CMS has worked very closely with SSA to update both of these forms. On December 1st, the new forms were made available to the public on the medicare.gov Web site. Prior to this, these forms were not available online and all beneficiaries had to contact the local SSA field office to obtain either of these forms.

So very quickly, I just like to go over who can use these forms and when. So, the CMS-40B is the application for enrollment in Medicare Part B and this is used by beneficiaries who already have Part A, but not Part B and want to sign up for it.

40B is also used by all Puerto Rico beneficiaries in their IEP and it can also be used if the beneficiary refused Part B during their IEP, change their mind and

do in fact want to enroll in Part B during their IEP and lastly the CMS-40B can be used during the annual GEP or during an SEP. Next slide please. OK.

Next, the CMS-L564 is the request for employment information form. This form is used by any beneficiaries who are seeking to enroll in Part B or premium Part A during an SEP. This form is used if the beneficiary didn't enroll in Medicare when they were first eligible because they had health coverage through their employer.

Next slide please.

So what's new with these forms?

Since we've updated them, they are completely 100 percent more user friendly. They are available online and is available in PDF format for the beneficiaries to access directly. They are available in both Spanish and English. Prior to this, these forms were only available in English and both forms include step by step instructions to help beneficiaries complete them.

Next please. OK. So you can find these forms on medicare.gov's Web site and if it's possible if you can click on the hyperlink on the slide to take us to medicare.gov.

Lindsay Smith: So once you go to medicare.gov, you'll be on the Medicare home page right. You'll see forms, help and resources. So if you hover your mouse over forms, help and resources that will – there'll be a dropdown box.

Once that dropdown box is there, you'll go down to where it says forms. Click on forms and that will take you to the Medicare forms page and both of these forms can be found under enrollment forms so if you see that, I don't know if anyone else can see the actual Web site, but on the slide, it's a smaller version.

Under enrollment forms, it has I have Part A. I want to apply for Part B so if you would click on that that would take you to the CMS-40B and then directly below that, if you click on I want to sign up for Part B while I'm employed or during the eight months after employment that would take you to the CMS-

L564 both English and Spanish available there so that's how you would get to those forms. So we can go to the next slide.

So completing and mailing the forms. Please advise all beneficiaries to follow the step by step – step by step instructions included with both of these forms, which I'm going to show you after this slide.

The forms can be filled out on the computer and then printed where the beneficiary has the option to print the form blank and then complete it by hand, but please note that these forms cannot be submitted online. They actually have to either be mailed or taken to the beneficiary's local SSA field office.

And then next if we could go to the actual forms or the CMS-40B in the PDF format.

Lindsay Smith: So this is the CMS-40B, the application for enrollment in Medicare Part B.

Since we've updated the form, it's four pages now. It used to be one so it is a little bit longer, but that's actually for the beneficiary to help them in completing the form.

So this first page you're looking at basically goes over who can use the application, when to use it, what information the beneficiary will need to complete the application and what happens next. You'll also see that we've included the 1-800 number to Social Security and this is in case when the beneficiary is filling out the forms if they're having any problems or have any questions they can contact SSA for help with filling out the form.

And then if we go down to page two of the same form, this is the actual application that the beneficiary will be filling out so this is where they'll fill in their claim number, their name, mailing address, phone number and this is where they'll actually sign and date the form.

And then on page three is just general information for the beneficiary to read over about the initial enrollment period, general enrollment period and special enrollment period. And then lastly, page four, here is the step by step instructions that I mentioned earlier so the beneficiary will use this when

completing page two of this application and it goes by each question and gives, you know, what information they have to provide for each one. So that's the CMS-40B and then ...

Debby Higgins: People are asking if the forms are navailable at – on the ssa.gov.

Lindsay Smith: No, they are not. They are only available on medicare.gov.

Lindsay Smith: Next we'll look at the CMS-L564 in English.

This is the request for employment information and it basically follows the same format as the CMS-40B. The first page just goes over the purpose of the form, how to complete it and what to do with it once it's completed and again SSA's 1-800 number in case there's any questions with the form.

Page two of that form again is the actual application itself. You'll see Section A. This section is completed by the individual signing up for Part B and then Section B is actually completed by the employer. So the person signing out will finish Section A and (in May) will give it to their employer to complete Section B and sign and date it.

And then lastly again, the third page is the step by step instructions broken down by Section A and Section B so that the person applying for Medicare would go by the Section A instructions and then the employer would go by the Section B instruction. So that's everything if there's any questions.

Operator: At this time if you would like to ask a question, please press star followed by the number one on your telephone keypad. To withdraw your question, please press the pound key. Thank you. One moment while I compile the Q&A roster.

And we do have a question from the line of (Kenneth Mayfair). Your line is open.

Debby Higgins: What is the beneficiary identification code on the form.

Lindsay Smith: The beneficiary identification code that is each what we call (Hicken) is the Social Security Number of the claimant as well as a letter attached to that number so a primary beneficiary is a BIC A. BIC stands for the Beneficiary Identifier Code and each (Hicken) has a number or I'm sorry, a letter attached to it to identify that beneficiary.

Operator: And your next question comes from the line of (Liz Trunick). Your line is open.

(Liz Trunick): Hi. I have several clients who want to fill out this L564 shortly before their coverage – employer coverage ends and the question is has this coverage ended so if it hasn't ended, how do they indicate that it will in a week or two or three?

Lindsay Smith: If we can go back up to the forms, if there's – if there's nowhere on the form to indicate it, they can provide something to SSA in writing that it hasn't ended yet, but when it will.

(Liz Trunick): So a separate handwritten attachment of some sort?

Lindsay Smith: Yes.

(Liz Trunick): Thank you.

Lindsay Smith: Yes.

Operator: Your next question comes from the line of (June Black). Your line is open.

(June Black): Hi. So the employee verification form, if you're the spouse of an employee who is leaving employment within the eight months, do you need to have this filled out also?

Lindsay Smith: Yes, correct. So you – If you're looking at the page two of the request for employment information form, number four is the applicant's name so that would be the person signing up for Part B. Number six is the employee's name ...

(June Black): Yes.

Lindsay Smith: ... that's where you would put the person who is actually employed. You would put their information there.

(June Black): Very good. OK. Thank you.

Lindsay Smith: You're welcome.

Debby Higgins: Can you enroll in Part B via telephone to Medicare.

Lindsay Smith: No, you have to complete this form.

Operator: Yes. Our next question comes from the line of (Linda Kilmas). Your line is open.

(Linda Kilmas): Yes, I was the one who had the Q&A. My question is if you had two or more employers during the period and so do you need to submit these forms to each of them for different periods that you were covered?

Lindsay Smith: If they have – If they're employed by both employers at the same time, I would ...

(Linda Kilmas): No, they were serial.

Lindsay Smith: OK so I would ...

(Linda Kilmas): My husband was covered by one company for the first two years after my IEP and my – and then he switched companies and I've been covered through a different employer coverage since then, would I need to provide documentation from both employers to demonstrate the full (plan)?

Lindsay Smith: No, you would only submit documentation of the current employer.

(Linda Kilmas): Thank you.

Lindsay Smith: Or the most recent.

(Linda Kilmas): Yes. Thank you.

Operator: And we do other questions on the line from (Allison Ritter). Your line is open.

(Allison Ritter): Thank you. My question is after an individual submits one of these forms, what sort of information is then sent to that beneficiary notifying him or her that OK now you do have Part B and, you know, for example a new card or a revised questionnaire about other sources of insurance coverage and also what is the timing of when this material is sent to the beneficiary?

Lindsay Smith: I can't give you an exact number on timing because that all depends on when SSA processes these forms so again, you know, that may differ from office to office. The beneficiary once they are approved for coverage they will receive their Medicare card and a welcome to Medicare letter, but again I can't give you a definite timeframe of when that will happen.

(Allison Ritter): OK. Thank you.

Lindsay Smith: Yes.

Operator: And we have do – we do have one additional question from the line of (Tina Hero). Your line is open.

(Tina Hero): Yes hi. Someone is trying to apply for Part B in advance just to give Social Security enough time to have the enrollment effective, is there a place on here where they can tell Social Security when they would like their Part B to be effective?

Lindsay Smith: No, are you – they can't apply in advance and you can't say when you want it to be effective. Medicare is effective based on your birthday when you turned 65 or when you're determined to be disabled.

(Tina Hero): Right, but these are for people who have worked past 65 and are now thinking of retiring.

Lindsay Smith: For the SEP using the CMS ...

(Tina Hero): Yes.

Lindsay Smith: ... L564, yes, if they are still employed, but they know their employment is going to end within the next eight months then yes, they can fill out this form before their coverage, their group health plan coverage ends and then they can indicate when they want Medicare to start based on the group health plan coverage ending.

(Tina Hero): So Social Security is always going to assume that the effective date is based on the date where the previous coverage ends.

Lindsay Smith: Correct.

(Tina Hero): OK thanks.

Lindsay Smith: Yes.

Operator: And we do have one additional question from the line of (Iris Rumbest). Your line is open.

(Iris Rumbest): Thank you. I have a question in regards to the multiple employer scenario. UPS have both nonunion and union employees; however, most of our union employees have now switched over to the TeamCare coverage. We're finding that we're getting more and more requests for the Medicare I think it's the L564 form and those employees who are just moving over to a transition coverage with TeamCare they would not have some of the data in regards to their employment so I just heard you say that the documentation for the current employer even though as UPS we may not still be able to answer that question regarding their healthcare coverage now that it's transitioned so in a scenario like that what do you recommend?

Lindsay Smith: That I haven't come across. I would have the employer – both the person applying for coverage and the employer fill out that form to, you know, the best of their knowledge.

(Iris Rumbest): Yes.

Lindsay Smith: If there's information that's missing when Social Security received that form, they would either contact the individual or the employer to get whatever other information they need.

(Iris Rumbest): OK. All right. What I have recommended and I didn't know if I was right or not we can only show coverage for the time period that UPS covered them and any coverage after that I would suggest that they go to TeamCare to get that information as well.

Lindsay Smith: Yes that sounds correct.

(Iris Rumbest): OK. All right. Thank you.

Lindsay Smith: Yes.

Operator: And we have no further questions for you at this time.

Debby Higgins: do you not get a Medicare card automatically from SSA about a month before age 65?

Lindsay Smith: For people that have already been signed up with SSA, they will get a Medicare card automatically one month before turning 65. However, for people who are employed and decided to hold off on getting coverage, those individuals won't receive a card that does having to actively fill out these forms and enroll in Medicare coverage.

Debby Higgins: Lindsay thank you so much for your time. We're going to move on to our next presenter. If you have questions after we've moved on, you can send them to us via our mailbox at training@cms.hhs.gov and we'd be happy to answer them.

Next up we have (Sarah) and (Sarah) is going to talk to us about the five star ratings. Her presentation will be coming up in a second.

Go ahead.

(Sarah Galliot): OK great. Hi everyone. My name is (Sarah Gayle) and I'm in the Medicare Drug Benefit and C and D Data Group and my group produces (forms that are needed) for Part C and D.

So during this presentation, I'm going to first look at the Medicare Plan Finder and then some specifics of the ratings that make up the star rating and then talk a little bit about how the star ratings are used outside of the plan finder.

So here we have a screenshot from the Medicare Plan Finder at medicare.gov and this is the key tool that CMS makes available to the public to explore and enroll in health and drug plans. On the screenshot is just the overall star rating circled on the right alongside health plan cost and coverage information and as well as some of the icons that I'll discuss a little bit.

So on Medicare Plan Finder, viewers can explore the cost, benefit and quality of health and drug plan. Beneficiaries can also enroll in a plan online in most cases.

Medicare Plan Finder involved (most) steps so that viewers can get accurate drug cost information. They can enter their current prescription drug usage and pharmacies that they want to go to and we optimize Medicare Plan Finders for counselors such as through 1-800-Medicare, SHIP counselors and others who can help beneficiaries make plan choices so there's a lot of information on this plan finder site and it's gently packed.

This slide shows the layers of the star ratings and some of the detail information that go into it and this is so that viewers can access as little or as much information as they need. We give health and drug plans ratings from one to five stars and those overall ratings aim to quickly and intuitively give viewers a snapshot that they can use as easily as they can use the cost and coverage information.

The users can also drilldown to see details, which is how often plans issue decisions about coverage appeals that are overturned for example how often members get their annual flu shot in a particular plan and how often members report having trouble getting their drugs.

This slide looks at the star ratings. This is the current star ratings for 2015. We had have 46 unique measures across Part C and D that go into that rating and we decide these – the star – the overall star rating into domains that group similar measures together to make it easier to understand.

And so here we list the domains for Part C and Part D and the star rating measures encompass process measures, patient experience measures, access measures, outcomes and improvement of the health and drug plan every time. We include survey data, administrative data from CMS, audited data from health and drug plans as well as some other sources.

This slide looks at what measures, how we choose the measures in the star ratings. We are very concerned with the reliability and data accuracy and current clinical recommendations for health and drug plan beneficiaries so we review the measures in the star ratings each year.

In general, we're moving more towards measures of healthcare outcomes and away from process measures such as simply numbers of people screened for particular diseases. We announced measure areas well in advance since stakeholders are given multiple opportunities to weigh in on the measure set and we rely heavily on consensus building entities such as the National Committee on Quality Assurance and the Pharmacy Quality Alliance for Measure and Concept Development, specifications and endorsements so there's a lot of research that we do each year to enhance the methodology and make the ratings as accurate as possible and we try to use the most recent data available.

The next few slides look at the history and evolution of the star ratings. CMS has been reporting quality measures for a long time since about the late 1990s, but at first they are really focused on medical record drive measures and surveys of measures and the presentations were somewhat simple such as just numbers and bar graphs with not a lot of context or explanations.

But we're really moving towards a more comprehensive and useful approach for consumers to present not just more data, but simpler, more intuitive presentations. In 2006, the Medicare Plan Finder first rated the Part D plans

using stars, again, the one to five star ratings and we added ratings for Part C plans in 2007 and I know that other programs in CMS are moving towards star ratings so there currently are star ratings for nursing homes, physicians, sales, facility and we're also working on the hospital and home health star ratings.

So again, the purpose of the star ratings is to make it easier for consumers to use quality information to make the best plan choices and in recent years we've added some symbols to further highlight high and low-performing plans because we thought that would be helpful to consumers.

So here is the high-performing icon and these are for our health and drug plans that received the highest overall ratings and that's five stars and on medicare.gov, we note that beneficiaries can enroll on this five-star health or drug plans any time during the year.

The flipside here is the low-performing icon and these are for contracts rated less than three stars for three consecutive years and beneficiaries are not able to use the Medicare Plan Finder to enroll in these contracts online and they're also if they call 1-800-Medicare they're discouraged from enrollment in these contracts.

Star ratings are used for a number of purposes, (but the grip is) Part C and D star ratings are used for public reporting so that beneficiaries can consider quality as well as coverage and cost information in their enrollment decisions. The health and drug plans also use their stars to market themselves.

There are special enrollment options to get into high and performing – to get into high-performing contracts so as to get out of low-performing contracts. Specifically the five-star plans can market year round and as I said the Medicare Plan Finder blocks easy online enrollment into the low-performing plans.

There's also some financial incentives for the high-performing contracts. The Affordable Care Act established CMS's star ratings for Part C and D as the basis of quality bonus payments for the Medicare Advantage Plan and also CMS can now terminate low-performing plans based on their star rating.

Here are list of CMS Web site where there are data files and detailed specifications for how we developed the Part C and D star ratings and also the e-mail address if you have any additional questions and I'm happy to answer questions as well at this time.

Debby Higgins: I have a followup question that came up. When a plan receives the detail of the star, for example outcome for diabetes report, are the details available to the public on each carrier and each plan?

(Sarah Galliot): So plans have an opportunity to preview that star rating each fall before they go public. So, we have opportunities for them to correct any issue and then once that (privy) period is over, they're released as part of the open enrollment each fall and so all of those detail information that I discussed is online on Medicare Plan Finder.

Debby Higgins: (Leanne), can you open the lines up and then once you open them, I'll give you a couple of more questions while we're waiting for them to come in.

Operator: Thank you and if you would like to ask a question, please press star followed by the number one on your telephone keypad. Again, that is star one to ask a question.

Debby Higgins: OK, nationally what percentage of customers participate in rating plans?

(Sarah Galliot): So it's not the customers rating the plan, it's either the CMS star ratings based on a number of as I said about 50 different data sources that are objective and rigorously reviewed for their accuracy.

Debby Higgins: How long does a plan have to be in operation before star rating is posted?

(Sarah Galliot): So, it depends a little bit on – when they enter the market because we need enough time to collect data on them. Some of these data sources take a year to collect the clinical record review for example. So, it varies usually one or two years.

Debby Higgins: The question is, can you provide a sample of the language used to discourage 1-800 (MCR) callers from joining low performing plan.

(Sarah): Off the top of my head, I can't give the exact language that's used but plans – if the beneficiary calls, they're discouraged from enrolling in that plan and explain a little bit about the star ratings and why CMS gave them a low star rating and why they might want to consider other options.

Debby Higgins: (Leanne), is there any callers?

(Sarah), we do have a few questions. The first line is (Patricia Gauthier), your line is open.

(Patricia Gauthier): Yes, hi. I'm wondering how much the geographic area or the pool of people who are being enrolled in let's say the Part C plan is suspecting the ratings. You're talking about outcomes. You know, it's not only the healthcare providers who affect the outcomes, it's also the people who are participating in the plan and I've noticed for example I'm in large urban area and we've never had any 5-star plans. I'm just looking, there are few 4-star plans now up until this year. I don't even think we had anything about 3-1/2 stars.

(Sarah): Right, so there is geographic variation in the quality of plans available and we do post some maps that showed up on our Web site on cms.gov. I will note that we do – some of the measures are adjusted for what we call case-mix, so the beneficiaries that are answering some of the survey data, so those are adjusted for education for example. So, we do look at that very seriously each year.

(Patricia Gauthier): So, you're saying that the pool of people who are enrolled in any given plan either doesn't affect the outcome measurements or that you adjust for it?

(Sarah): So, some of our measures are patient reported and those ones we do adjust for certain demographic characteristics. Many of the measures are administrative. So for example, the appeals measure, audit measures.

(Patricia Gauthier): Right, I understand those, what I'm asking about is the outcome measures because those are the things you seem to be moving towards.

(Sarah): Right, so a couple of the outcome measures are just for case-mix in the same way that I described.

Operator: We do have one, sorry two additional questions. The first one is (Mila Morgan), your line is open.

(Nyla Morgan): Thank you, it's (Nyla) but I actually have the same question. I think that the rating system is so important I would really love to see the Medigap plans rated as well. I was curious about any plans to do so.

(Sarah): Sorry, I don't know anything about that.

Debby Higgins: Next question?

Operator: And our last question on the line is from (Betty Gilmart), your line is open.

(Betty Gilmart): Yes, hi, thank you. I actually have a question and a request for more information. Number one, how often and when is the rating updated on medicare.gov?

(Sarah): So, the ratings are released each fall and we do a handful of updates in the spring for example if a plan terminates or there's an opportunity for plans to appeal their ratings and if we find any – if we decide to make any changes based on that, it's updated on the spring but those are pretty minor, so once a year in general.

(Betty Gilmart): OK. And my second request is can you talk a little bit about risk adjustment from Medicare in terms of – I mean it's going to be difficult but I'm not sure if you can talk about that in general?

(Sarah): Right, for the patient experience measures and the outcome measures, most of the outcome measures are (taken) and suggested for the beneficiaries that are – that are answering the survey item. I'm not sure if you have specific questions about the case-mix.

(Betty Gilmart): That's helpful, thank you.

(Sarah): OK, we would be happy to take any questions on the line that you have about that. And we do release detailed tables especially for the (CAT) measures with the case-mix coefficient each year.

Operator: And excuse me, we actually do have two additional questions on the phone.

Debby Higgins: OK, go ahead.

Operator: The first line is (Sara Hawthorne), your line is open.

(Sara Hawthorne): Good afternoon. I went to the Web site that you have posted on the slides for the CMS Web site and I was wondering how we can get the actual numbers that are utilized to create the percentages. I worked for the Florida Department of Health and we have two measures in common, Medicaid – related to medication adherence and if we can get the actual raw numbers that are relevant to these Medicare HMOs that would be very helpful to us.

(Sarah Gayle): Could you send your question to our training mailbox please, training@cms.hhs.gov for response.

(Sara Hawthorne): All right, I will do it. Thank you.

Debby Higgins: So with that in the interest of time, we're going to have to move on – but if you have a question, feel free to send it to our mailbox and we will respond that way. Next we're going to have Susan Razik, and she's going to be talking about marketplace coverage and taxes.

Susan Razik: OK, good afternoon everyone. We – if you have already participated on one of the webinars about getting ready for tax season, the reason that we put this at the end of our presentations today is so that you could drop off because we know that a lot of you have already participated in this particular presentation. We planned to do it last month but we have technical difficulties.

So – but for those of you who are going to stay, we're going to talk about this mostly because we know that people who have Medicare may or may not be affected by the tax changes because of the Affordable Care Act and we

wanted to make sure that you have information in case people call you to ask you questions.

We know that they trust you. They call you all the time and the fact is some of those folks, it will affect if somebody has Medicare now but they didn't have it at the beginning of last year, they might be affected. And if they have a spouse who's getting a vast premium tax credit, they're going to have to file together. So, some of these questions really might relate to people who have Medicare and we're just going to talk about some of – some of what is going on there.

So, we're working with the IRS and taxpayers, software developers, state-based marketplaces and other stakeholders. If somebody goes to do their taxes using one of the brand name software program, they are all set and ready to go with all the Affordable Care Act changes. The information, the questions that are provided, everything is in there. They have already got everything set up and ready to go.

When we look at who we're dealing with, we're looking at, we always say that the target audience is in two buckets. They either had coverage in 2014 but they didn't have coverage for either all or part of 2014. And those who had coverage, they might have had a health plan in the marketplace or they might have had non-marketplace coverage. And that's where the bulk of people are going to fall. They had non-marketplace coverage.

Those who are uninsured for part or all of 2014, they may have to pay a fee and we've talked about that in the past, if they don't have an exemption and so we'll talk a little bit about exemptions later. So if you can look at this little person in the middle of the screen here and imagine your face on that head, we want you to help be one of the people who makes the connection between premium tax credit and filing taxes.

There are a lot of people who even though they were called Advanced Premium Tax Credit, somehow the word tax seems to drop from that term when they're talking about it and they think it was just something that they got to lower their premium, not that it's something that they might have to

reconcile at the end of the year or claim for the first time when they're doing their taxes or they might have to pay a fee or that they might have to have an exemptions in order not to have to pay that fee.

So, the majority of people are going to fall into this category and yes everybody's taxes are changing but this is how the majority or 75 percent of taxpayers, how it's changing. They're going to check a box and the box just says that they had a coverage all year long and they're done.

So either there are a lot of the advertising that's out there might imply that everybody needs to go pay somebody to have their taxes done. If they've done their taxes themselves in the past and they were fully covered by non-marketplace coverage and their spouse was as well, this is all they have to do. They're just going to check a box.

For marketplace consumers, there is going to be some new forms that they have to deal with. There is a new 1095-A that they're going to get in the mail from the marketplace. And the 1095-A is something that we want people to think of as almost another W-2. So if you enrolled in a health plan in the marketplace last year, you're going to get the 1095 in the mail. In 2015, all of these forms that are being mailed out have to be postmarked by yesterday. So, people are going to start getting them in the mail very soon.

What is on that could include all the people in the tax household who were enrolled in a qualified health plan and everybody is going to be able to form regardless of whether they got financial assistance or the advanced premium tax credit or not. Again, we want to remind people to keep this form. It's very important and we also want to make sure that you understand that people are not going to be receiving one of these if they have Medicaid or CHIP coverage.

This is only for people who got their coverage from a marketplace plan and the marketplace qualified health plan. You're not going to get one if you're in the catastrophic plan and you're not going to get one if you had a dental plan. This goes with the two things. So again, we don't want people doing their taxes before they receive these forms.

The 1095 itself is not something that they're going to be submitting with their taxes. It's going to be used to help complete other forms that need to be done but what people will be getting in the mail will have this term on it, Important Tax or Health Coverage Information Inside. And there's going to be a cover letter if people have language preference that they've already identified, they'll either get it in English or Spanish.

The instructions are included. There's going to be a separate ones for each policy in the household because there is a possibility that people in the household are in different plans. What happened? Also if there's a family with more than five members who would be on it, they're going to get two different forms because the form will only have five different enrolled members listed. So, they will get a Part 2.

And we're also going to talk about how people can download the copy that is available already. So if someone wants to download it, they need to go back to their account on the marketplace Web site. They would have set this up when they filled out their application last year.

They will be able to log in using the log in information for their account and they will be able to access the 1095 electronically and print it out. And it will be listed under messages and you'll see whether or not they have a 1095. We will also see if they got a corrected form because some people will require a correction and we'll talk about that next.

So, you have to have had an account before the Form 1095-A was generated for it to show under messages. If it doesn't show under messages, it means they probably enrolled maybe through the call center but they didn't have an account set up. They need to set up an account to be able to access it.

So, we would – we would say that's the best thing for them to do to go in and set up an account and the only thing that will be different for them is that they will be able to access the form but it won't. It won't be under messages, it will be under tax form. So, it will just be located in a different space.

And we also want to point out that if they think that there was wrong information on the tax form, that they can click there but basically what it tells

them is to call the marketplace call center for help and (submit) the things that could be wrong with the 1095-A would be something like the date their coverage started or the date that their coverage ended or the number of people in the household.

We told people all along update your information. If it changes, if any – if your employment changes, your income changes, your household changes, update it but if they didn't update it and there were changes, we know that they're going to need to get a corrected 1095A and even in other cases they might need a corrected ones. It's very doubtful that everybody would have the form completely filled out correctly.

So, the 1095-A has three different parts including have information about the tax (inaudible) and the household who was enrolled in the health plans. It will also have information to help them fill out a tax return meaning, you know, what monthly premium amount did they pay and also the amount of the Advanced Premium Tax Credit that was paid to an issuer on a consumer's behalf. (Put) all that information in the 1095.

That information will then be used to fill out some forms that we'll be talking about in a minute but this is just a reminder of the difference between Advanced Premium Tax Credits and the premium tax credit and a lot of it has to do with these things that you see on this – on the (size) differences when it's determined. The Advanced Premium Tax Credit was determined back when they submitted their marketplace application.

The determination was made by the marketplace. It was calculated on estimated household income and family size reported on their application. The Advanced Premium Tax Credit amount is sent to the issuer, so that when the individual who's covered or individuals who are covered make their premium payment, it is a reduced amount and the difference is paid directly to the issuer. And it's paid in advance monthly to the issuer.

The premium tax credit is determined when the folks submit their federal income tax return and it's determined by the IRS. The difference is this is

based on the actual household income and family size as reported on the tax return which means they are able to – they will get the actual amount.

It (received) by the person through their taxes, so whether or not they are going to get more of a refund or if they're going to reduce the amount of what they owe, they will find that out when they fill out their taxes and it's done of course, it's not really at the end of the tax year, it's after the end of the tax year when they're doing their taxes.

So, the premium tax credit can be claimed even if the person did not requested or applied for it when they submitted their application as long as they meet the criteria that is on here. When we talk about reconciliation for those people who chose to get into advanced premium tax credit, the IRS is going to reconcile it with the actual information that is placed into their tax filing.

So again, they're going to take information and they're going to fill out the form 8962 which is the different form that talks about premium tax credit and again they may increase their refund or they may have to owe more money depending on how accurate the Advanced Premium Tax Credit was.

So looking at the people who were uninsured, if they had no health coverage for all or part of 2014 and that's about 14 percent of people, they're going to either have to pay a fee or they're going to have to request an exemption and the way that – when doing their tax is they can request an exemption by using the Form 8965.

So, the people who can get an exemption – what is happening? OK, if we just – OK, that's not right the one. Sorry about these guys, I'm having a little bit of technical – OK. There we go. So, the people who can get an exemption is for criteria such as – there wasn't an affordable health insurance claim available to them.

They had only a short gap in coverage of less than three months for eligibilities or services through the Indian Health Service. It could be because they don't have to file tax return because their income is too low. So, there are a number of reasons if somebody could get an exemption.

The types of exemption, there are two types. One, when you fill out the forms, the IRS will tell you whether or not you are able to qualify for the exemption. The other is determined by the marketplace and that's determined when you fill out your application. And for a complete list of those exemptions, you can go to healthcare.gov or you can call the call centers for that list.

There's going to be an exemption approval notice that is sent and again this is another form that we want to make sure people understand. It's very much like a W-2. It's something that you need to keep with your file and there's a number on there called the Exemption Certificate Number and we like our acronyms, we called it the ECN.

And they're going to need to put that under taxes when they're doing it unless they haven't gotten a response yet and then they'll have to put on the tax return that it is pending. So, the form 8965 again is when you're requesting it through the IRS.

And then paying the fee, if you don't qualify for an exemption, you pay the fee as if you would owe taxes. The fee is based on income and how many months you didn't have health coverage and just a reminder that even though someone, if someone is in the marketplace and their earnings are below the threshold for having to file a tax return, they still need to file the tax return if they are in the marketplace.

And the amount of the fee, you know, this year is the first year for it. It's \$95 per person, it's half of that for a child under 18. The maximum in a family is going to have to pay this year is \$285. As you can see on the slide, the amount is going up each year and, you know, by 2015 it's \$695 per person or 2.5 percent of the income over the threshold. So – and again, you know, even this year it could be either the 95 per person or 1 percent of your yearly income whichever is higher.

So as we said, you know, we are looking forward to all of you helping to get this message out simply because people do come to you. You are the trusted source of information to ask about these questions and if you need to look for more information, you know, there's information on healthcare.gov and

IRS.gov, healthcare.gov. If you go to (healthcare.gov/taxes), there is a ton of information available about all things related to taxes.

Another thing that I wanted to mention is that there is a direct mail campaign going on right now where if someone started to do an application for coverage in 2015 and they didn't finish, they stopped, they're going to get a letter telling them, you know, hey you start it, time to come back and finish, so that you can have health coverage for the rest of this year.

There are also tax tools. The first tax tool will help you if you didn't (think you're) qualified for the Advanced Premium Tax Credit and you wanted at least qualify for a premium tax credit, that is up and available now on healthcare.gov. We're also developing a tool to see if you qualify for an exemption. We expected that one will be live at the end of open enrollment. And again, what's important about this is you don't have to go into your account or anything. You can completely do this anonymously.

For state-based marketplaces, the information is the same. If people call our call center or those at healthcare.gov, they're going to get general information but they will be referred to their state's call center or their state's Web site for more specific state-based type questions.

More resources are available. There is as I said healthcare.gov/taxes, has a lot of information. You can call the call center and just to give you a brief overview of why you would call the marketplace call centers as opposed to why you would call the IRS, you can call the marketplace call center for information about the 1095-A, what it is, who gets it, why you need it, that type of thing.

How to use the 1095 with and without Advanced Premium Tax Credit, why you needed an 8962, where to get it, that type of thing. They can encourage you where you can go to get tax assistance, where you can apply for free, that type of thing. They can tell you about the fee for not having coverage, introduction to exemptions, all basic information not specific to the individual.

Exemption certificate number information where people can find it, eligibility for the advanced premium tax credit, you know, that type of basic information

and handling the discrepancies with the 1095-A. So if, you know, if they say – they sent a copy of the 1095 to my ex but she won't make a copy for me, how can I get one, those types of questions or my Social Security number, my date of birth is wrong, those types of things you can call the call center and they will help with that.

The IRS Web site provides information on help filing taxes, help paying the taxes you owed to the IRS, questions related to tax filing and strategy, questions on how to complete the 8962 or the 8965 and questions about other tax forms. We also have a few other additional resources. This presentation is available to download and you can access what the 1095-A looks like, the 8962, so that you can see what they looked like and how they get completed.

And then also just a reminder about free tax preparation, each year millions of people have their taxes prepared for free. The IRS has a Volunteer Income Tax Assistance program that they called VITA and they have Tax Counseling for the Elderly which is they called TCE. These are volunteers but they worked with local community (part) to train and certify the volunteers.

It's usually offered to people who are in the \$53,000 or less. The tax counseling for the elderly program is mainly for people six year older and it specializes in tax issues that are unique (redeemers). And the AARP participates in this TCE program and helps people with low to moderate income. There's bilingual help, some VITA and TCE sites provide bilingual help for people who speak limited English.

There is help for the military. VITA offers free tax assistance to members of the military and their family. Volunteers help with many military tax issues and these may include special rules and tax benefits that apply to those serving in combat zone. There is a self-prep option. There are local sites that are available and we recommend that you visit the [irs.gov](https://www.irs.gov) and if you search the word VITA, V-I-T-A, and click on free tax return preparation for you by volunteers, you'll be able to find information about these programs.

And that is our presentation on taxes, are there any questions that aren't based on being a tax preparer.

Operation: If you have any questions, please press star one on your telephone keypad. And I have no questions at this time, I'll turn the call back over to our presenters. I do apologize we do have a question from the line of (Barb Arcek), your line is open.

(Barb Arcek): Yes, you have a person that is sign up through the Kentucky Connect, that's I'm assuming what marketplace – what you're calling marketplace. And the husband has his insurance through the – through a different entity not marketplace just like through his employer, what would you tell the people that I still has to go get the 95, the 1095 or what?

Susan Razik: The person who was in the marketplace will get the 1095.

(Barb Arcek): OK and ...

Susan Razik: They should wait because they do need to file jointly.

(Barb Arcek): OK. And will the one that has from their employer will they get something from the employer or is that ...

Susan Razik: No.

(Barb Arcek): They won't, OK, OK.

Susan Razik: No, they won't, no.

(Barb Arcek): OK, thank you. Thank you.

Debby Higgins: If a person – yes, I have a question, if a person will qualify for an exemption because their income is too low, do they need to submit Form 8965 by itself to the IRS?

Susan Razik: I believe – I believe so. David, if you're on the line ...

David Santana: Yes, the form in 8965 has to be submitted with the 10 – with the 1040 form because, you know, the IRS itself don't grant exemptions. So when you're doing – when you're filing your taxes, it's asking for an exemption by having form 8965. And I just wanted to add one thing for the previous caller that was

asking whether the employers can send information. Just to add what Susan said, they're not required to do so this year.

They would be required to do so next year but there are many employers that maybe sending some information, some 1095, I think it's 1095-C form, so that you may get something from the employer because they are – there are some employers that are complying earlier and are sending that information to some of their employees.

Susan Razik: Thank you David.

Operator: We do have a question on the line from (Kelly McKeefer), your line is open.

(Kelly McKeefer): Hi, I had a question about the 1095, you said those would be coming from the marketplace to enrollees but if someone has enrolled in a qualified health plan directly through the insurer, will they receive a 1095?

Susan Razik: OK, so are they – are they, you're saying they're in a marketplace plan?

(Kelly McKeefer): They're in a qualified health plan that they purchased directly through the insurer off the marketplace.

Susan Razik: OK, they would get a 1095.

(Kelly McKeefer): From the marketplace or from the insurer?

Susan Razik: From the – David?

David Santana: Yes, yes, so that's right. It's what you're saying Susan that they – they get a marketplace plan whether they purchase through a broker or they purchase directly to the marketplace, they will receive a 1095-A.

(Kelly McKeefer): OK, thank you.

David Santana: If they purchase a plan completely outside of the marketplace, that is – it's a private plan outside of the marketplace, then the answer is no because in order for you to add – to get credit, you need to be enrolled in the plan that ...

(Kelly McKeefer): OK, I think that was where my misunderstanding was. I thought the 1095 was just to prove that you have a qualified health plan not necessarily a tax credit.

David Santana: Right, OK.

(Kelly McKeefer): OK, got it, thank you.

Operator: And your last question comes from the line of (Donald Wechler), your line is open.

(Donald Wechler): Yes, I asked the question about income being too low. What I meant by that was a person who doesn't normally file a return and because their income is too low, are they now going to have to either file a return or get an exemption?

Susan Razik: Yes.

David Santana: They – well if their income is too low but they're not filing taxes, then they're not required to file an exemption.

(Donald Wechler): OK, thank you.

Operator: I apologize we do have one further question on the line from (Christine Henderson), your line is open.

(Christine Henderson): Yes if someone has filed for COBRA through the methods of their previous employer, will they be receiving a 1095?

Susan Razik: COBRA is not a marketplace plan, so they would not get a 1095 from COBRA.

(Christine Henderson): Will they be penalized for being on COBRA?

David Santana: COBRA is considered minimum essential coverage.

Susan Razik: Yes.

David Santana: So, they will not be penalized to answer the question.

Susan Razik: Right, unless their COBRA ended and they had a period of longer than three months when they weren't covered.

(Christine Henderson): Well if their Cobra end, then they can get unto the marketplace subsequently?

Susan Razik: They can – they could have a chosen a marketplace instead of COBRA.

David Santana: And of course if the COBRA ended, then there's a – there's special enrollment period if the COBRA ends, you know, because it reached the time limit that they received COBRA and any other plan that you have that is – that is certainly terminated, you do have access to the special enrollment period.

(Christine Henderson): So, there's an (entity) for COBRA or I should say subsequent to COBRA when COBRA ends.

David Santana: That's correct.

(Christine Henderson): Thank you.

Operator: And we do have additional questions from the queue. The next question is from (Elaine Wong), your line is open.

(Elaine Wong): Thank you. My question is about one of the exemptions that someone is not – did not have coverage for less than three months. I think someone said less than three months earlier and then more recently someone said three months. Is it less than, (what if) – is it exactly three months and what is the reference for that please?

David Santana: It is – it is less than three months. So if you go without health insurance for three months or more, the exemptions doesn't apply to user. It has to be less than three months and that information is in the IRS Web site when you go to the exemption page. It will explain exactly how the three-month rule work.

(Elaine Wong): OK, thank you.

Debby Higgins: In the interest of time, actually we have run over today and we have to end the call but please send your questions to us at training@cms.hhs.gov and we will respond to your question directly.

With that, I'm going to thank you all for coming today and joining us and thanks to our presenters for their presentations today. Thank you so much. We'll talk to you again on March the 3rd.

Operator: And this concludes today's webinar, you may now disconnect.

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