

# Plan Year [XXXX] Advance Premium Tax Credit Proration Methodology Template

## Introduction

On September 7, 2023, the Centers for Medicare & Medicaid Services (CMS) provided updated guidance for State-based Exchanges (SBEs) regarding the new requirements codified at 45 CFR § 155.340(i) related to proration of advance payments of the Advance Premium Tax Credit (APTC). Under these new requirements, APTC applied to an enrollee's monthly premium must not exceed the expected monthly premium tax credit (PTC) amount when the enrollee is enrolled in a policy for less than the full coverage month. Beginning with plan year (PY) 2024, SBEs must prospectively report the methodology that they intend to implement to satisfy these requirements for the upcoming plan year to the Department of Health and Human Services (HHS).

## SBE Proration Methodology

1. For PY [XXXX], what methodology is the Exchange using to prevent APTC overpayment for partial months of coverage?
2. Please provide an example of how the methodology works and how it prevents overpayment of APTC for partial coverage months.



## PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995 (PRA), no persons are required to respond to a collection of information unless it displays a valid Office of Management and Budget (OMB) control number. The valid OMB control number for this information collection is 0938-1244. This information collection is required for states electing to operate a State Exchange. CMS will use information provided by states collected through the Advance Premium Tax Credit (APTC) Proration Methodology Template tool to evaluate compliance with Exchange regulatory requirements and standards. This report includes attestations of compliance with Affordable Care Act (ACA) requirements, attestations of compliance with eligibility and enrollment requirements, performance monitoring data, and the annual financial statement and external financial and programmatic audit report. The time required to complete this information collection is estimated to average 210 hours per response for SBEs and 191 for State-based Exchanges on the Federal Platform (SBE-FPs), including the time to review instructions, search existing data resources, gather the data needed, to review and complete the information collection. This information collection is required for states wanting to operate a State Exchange pursuant to 45 CFR §§ 155.1200 and 155.1210 and is private/confidential to the extent permitted by law. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to:

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