

## **Periodic Data Matching in the Federally-facilitated Marketplaces (Marketplaces) FAQ**

The Centers for Medicare & Medicaid (CMS) is conducting Periodic Data Matching (PDM) in the federally-facilitated Marketplace to help ensure consumers enrolled in Medicaid or CHIP coverage are not also enrolled in a Marketplace plan with Advance Payments of the Premium Tax Credit (APTC) or Cost-Sharing Reductions (CSRs). If consumers enrolled in Medicaid or CHIP coverage are also enrolled in a Marketplace plan with APTC or CSRs, the tax filer(s) will likely have to pay back all or some of the advance payments of the premium tax credit received for the Marketplace plan for the months following the consumer's Medicaid or CHIP eligibility determination.

CMS will conduct periodic and regularly scheduled data matches to identify consumers who may be enrolled in Medicaid or CHIP coverage and a Marketplace plan with APTC or CSRs, and will send them a notice instructing them to act immediately to end their Marketplace coverage with APTC or CSRs if they are enrolled in Medicaid or CHIP coverage.

This document is for state Medicaid and CHIP agencies, to help inform them about the technical and operations aspects of PDM. This document will be updated as necessary to reflect changes in the PDM process.

### ***Q1: What is Periodic Data Matching?***

**A1:** As described in Marketplace regulations at 45 CFR 155.335(d), Periodic Data Matching (PDM) includes the process in which the Marketplace examines available data sources to determine whether consumers who are enrolled in Marketplace coverage with APTC or CSRs are also determined eligible for Medicaid or the Children's Health Insurance Program (CHIP). Accordingly, PDM involves the Marketplace verifying through state Medicaid and CHIP agencies whether those consumers who are enrolled in Marketplace coverage with APTC or CSRs, are also enrolled in minimum essential coverage (MEC) Medicaid or CHIP.

*Note:* Most Medicaid or CHIP coverage is considered MEC; however, some forms of Medicaid or CHIP coverage (e.g., coverage for emergency services or family planning only) are not considered MEC.

The Marketplace will notify these consumers that they may be dually-enrolled, and if so, that they should immediately end their Marketplace coverage with APTC or CSRs.

*Note:* The state data that is accessed through the PDM check includes enrollment data, not data regarding eligibility for Medicaid and CHIP. Also, the Marketplace does not currently have functionality to take action to end consumers' APTC/CSRs in 2015. When such functionality is available, any resulting changes to the PDM process will be included in updated guidance.

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

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

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

**A3:** PDM uses the existing synchronous non-Employer Sponsored Coverage (ESC) MEC service to check whether a consumer who is enrolled in Marketplace coverage with APTC or CSRs is also enrolled in Medicaid or CHIP coverage. Since the Marketplace is utilizing existing functionality to conduct the data match, there should be no additional burden on the state Medicaid or CHIP agency.

**Q4: How often will CMS conduct PDM?**

**A4:** The Centers for Medicare & Medicaid Services (CMS) will be conducting periodic and regularly scheduled data matches (at a timeframe to be determined), and will send notices accordingly. The future schedule of PDM will be determined based on various factors, including an evaluation of the first round of PDM.

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

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

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

- Names of consumers who are dually-enrolled;
- A warning about potential tax liability when a consumer is enrolled in Medicaid or CHIP and Marketplace coverage with APTC;
- Instructions on how to end Marketplace coverage with APTC;
- A note that no action is needed at the Marketplace for consumers who aren't dually-enrolled; and
- Contact information for the state Medicaid or CHIP agency to confirm if enrolled.

**Q6: Who receives a PDM notice?**

**A6:** The Marketplace conducts a data match with state Medicaid and CHIP agencies to determine whether consumers who are enrolled in Marketplace coverage with APTC or CSRs are also enrolled in Medicaid or CHIP. For those consumers who are identified as being enrolled in both, CMS sends a PDM notice to the household contact for the application. The notice lists the consumers found in the data match for each application.

*Note:* In the first round of PDM, the Marketplace could not identify all consumers in all states who were dually-enrolled because not all states were able to fully participate. Consumers in the following states will not receive notices in this round of PDM: AK, DE, GA, ME, MI, NJ, OR, SC, TN, and WY. CMS anticipates participation of these states in future rounds of PDM.

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

**A7:** Upon receiving this notice, the consumer should do the following:

- If he or she is enrolled in Medicaid or CHIP, end his/her Marketplace coverage with APTC either:
  - ② Online by following the “[Cancelling a Marketplace plan when you get Medicaid or CHIP](https://www.healthcare.gov/medicaid-chip/cancelling-marketplace-plan/)” instructions on HealthCare.gov: <https://www.healthcare.gov/medicaid-chip/cancelling-marketplace-plan/>; or

- ▣ Over the phone by contacting the Marketplace Call Center at **1-800-318-2596 (TTY: 1-855-889-4325)** and **telling the call center representative that you want to end a Marketplace plan with APTC for someone who is enrolled in Medicaid or CHIP.**

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

Note: If a consumer wants to maintain Marketplace coverage while enrolled in Medicaid, he or she may apply for Marketplace coverage without financial assistance, during the annual Open Enrollment period or if eligible for a Special Enrollment Period.

*OR*

- If the consumer has had a change in their enrollment status since the data match (either in Medicaid or CHIP or Marketplace coverage with APTC), he or she should take no further action with the Marketplace. A consumer might opt to contact his or her state Medicaid or CHIP agency to confirm that he or she is not enrolled. If found to be enrolled in Medicaid or CHIP coverage, he or she should follow the steps above to end Marketplace coverage with APTC, if applicable, as consumers determined eligible for Medicaid or CHIP are not eligible for Marketplace coverage with APTC or CSRs.

***Q8: What happens if a consumer takes no action after receiving the notice?***

**A8:** If a consumer is enrolled in Marketplace coverage with APTC or CSRs *and* is enrolled in Medicaid or CHIP, when the tax filer(s) file their tax return, they will likely have to pay back all or some of the APTC received for the months following the consumer's eligibility determination for Medicaid or CHIP. Consumers may reduce the potential amount of APTC that the tax filer(s) will have to pay back when they file their tax return by taking steps to end Marketplace coverage with APTC or CSRs upon receiving the notice. Consumers who receive the notice but have more recently been denied eligibility for Medicaid or CHIP do not need to take any further action with the Marketplace, but may wish to contact their state Medicaid or CHIP agency to confirm that they're not enrolled.

***Q9: What is the impact on consumers who are enrolled in both Medicaid/CHIP and a Marketplace plan with APTC?***

**A9:** Consumers determined eligible for Medicaid or CHIP are not eligible for a Marketplace plan with APTC or CSRs. The Marketplace sends a notice to the household contact for applications with consumers enrolled in both programs. If consumers who are determined eligible for Medicaid or CHIP *and* who are enrolled in a Marketplace plan with APTC or CSRs do not end their Marketplace coverage with APTC or CSRs, the tax filer(s) will likely have to pay back all or some of the APTC received for a Marketplace plan while the consumers are enrolled in both programs when taxes are filed, starting the first of the month following the Medicaid or CHIP eligibility determination. In accordance with IRS regulations, repayment is subject to statutory caps.

***Q10: What if the consumer does not believe he or she is enrolled in Medicaid or CHIP?***

**A10:** 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 ask if he or she is enrolled in Medicaid or CHIP. If a consumer believes that he or she was wrongly found to be enrolled in Medicaid or CHIP, he or she should contact the state Medicaid or CHIP agency as soon as possible, and ask to have his or her eligibility redetermined.

***Q11: What if a consumer was not notified of his or her enrollment in Medicaid or CHIP but believes he or she may be enrolled in Medicaid or CHIP and Marketplace coverage with APTC/CSRs?***

**A11:** If a consumer did not receive a notice but believes he or she is enrolled in Medicaid or CHIP and enrolled in a Marketplace plan with APTC or CSRs, he or she should contact the state Medicaid or CHIP agency and the Marketplace to confirm his or her enrollment statuses. If he or she is enrolled in Medicaid or CHIP and Marketplace coverage with APTC or CSRs, the consumer should visit <https://www.healthcare.gov/medicaid-chip/cancelling-marketplace-plan/> to end the Marketplace coverage with APTC or CSRs. If the consumer learns from the state Medicaid or CHIP agency that he or she has been determined eligible for Medicaid or CHIP but is not enrolled in that coverage, the state agency should help the consumer complete enrollment.

**Q12: *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?***

**A12:** A consumer may believe he or she is eligible to remain enrolled in Marketplace coverage with APTC/CSRs in the following scenario: A consumer is enrolled in Medicaid/CHIP and Marketplace coverage with APTC, but has experienced a household or income change that makes him or her ineligible for Medicaid/CHIP. The consumer should contact his or her state Medicaid/CHIP agency to inform them of the change and receive a redetermination of eligibility for Medicaid/CHIP. If the consumer is found to no longer be eligible for Medicaid or CHIP, his or her coverage will end; the consumer can remain in his or her Marketplace coverage with APTC/CSRs, if otherwise eligible.

**Q13: *Is the PDM notice a new notice?***

**A13:** Since PDM is new functionality for the Marketplace, the Marketplace sent the PDM notices for the first time beginning in September 2015. As such, this was the first time notices were sent to consumers informing them that they were identified as being enrolled in a Marketplace plan with APTC or CSRs as well as Medicaid or CHIP, and providing them with instructions to end their Marketplace coverage with APTC or CSRs. However, to help address issues related to dual enrollment in a Marketplace plan with APTC and Medicaid or CHIP and the potential for increased tax liability, CMS has already published content in a number of venues, including on HealthCare.gov, other consumer notices, and within the online application.

**Q14: *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?***

**A14:** State Medicaid or CHIP agencies should follow their normal COB/TPL practices for Medicaid. Medicaid should remain the payer of last resort.

**Q15: *Can State-based Marketplaces (SBMs) use this functionality? Do they have the same obligations regarding terminating APTC/CSRs?***

**A15:** The periodic data matching functionality discussed here is a process used specifically with state Medicaid and CHIP agencies in states in which Medicaid and CHIP eligibility are determined or assessed by the Federally-facilitated Marketplace. However, State-based Marketplaces are also required to conduct periodic data matching, as specified in 155.335(d).