**The GetInsured State-Based Marketplace (SBM) Platform**

# Exchange-Issuer Reconciliation Guide

Version for Release 2019

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# 1. Introduction

Reconciliation with the Exchange system leverages the FFM RCNI file approach to reconciliation. It is a non-834 method of comparing a snapshot of the current policy data like premiums and APTC amounts.

# 2. High level process overview

Each month, issuers send their enrollment data to the Exchange for the Exchange's reconciliation system to perform the data comparison. Issuers will resolve data discrepancies identified in the discrepancy report within their system. The process consists of the following steps:

1. Issuers generate a reconciliation ("recon") file based on a snapshot of the current data in their system and send it to the Exchange in the (time range based) format used by the FFM. This file includes all enrollments in the Exchange system for a given coverage year. The data elements in this file format are included in 4. Issuer reconciliation file instructions for reference.

2. The Exchange's reconciliation system translates this data into a monthly format.

3. The Exchange's reconciliation system loads and stores this data.

4. The Exchange's reconciliation system compares, analyzes, and generates the discrepancy report.

5. The Exchange's reconciliation system identifies cases such as confirming pending enrollments that can be automatically fixed on the Exchange side.

6. The Exchange's reconciliation system sends the discrepancy report (see 5. Issuer discrepancy report) to issuers to make corrections.

7. Issuers review the discrepancy report and either fix or contest the discrepancy. This is an operational process between issuers and the Exchange. The Exchange's Customer Admin Portal has an interface called the Reconciliation Workbench which manages and tracks this process.
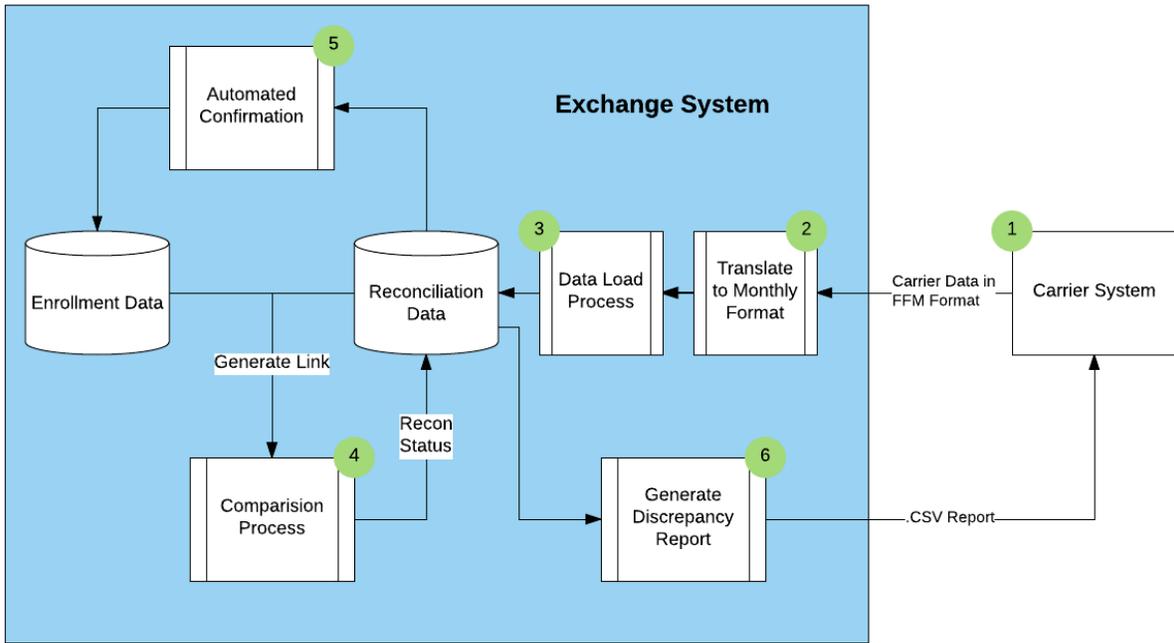
**Figure 1: Reconciliation Process Flow using an RCNI File**

# 3. Addressing discrepancies

## 3.1. Discrepancy workflow between the Exchange and issuers

### 3.1.1. Division of responsibilities

Both the Exchange and issuers are responsible for correcting data discrepancies. The table below details which party is responsible for correcting data depending on the data field.

| Data Field | Assignee |
|---|---|
| Enrollment Status | Exchange |
| Enrollee Status | Exchange |
| All Other Fields | Issuers |

### 3.1.2. Identifying discrepancies

For each unique discrepancy identified for a given enrollment, a record is inserted into the Exchange's discrepancy table. A unique discrepancy represents the combination of Enrollment ID and Field Name for which the discrepancy is detected.

The comparison of data is performed each month and identifies:

1. New discrepancies

2. Prior month discrepancies that are now resolved

Resolved discrepancies are kept open in the Exchange's system until the following month, when the scheduled comparison occurs and finds no discrepancy at which point, the data is no longer marked as a discrepancy.

## 3.2. Automated corrections to enrollment status discrepancies: "Pending" to "Confirmed"

The automated process to confirm a pending enrollment will be triggered immediately after populating the discrepancy table. This occurs as part of the monthly reconciliation process. Although the automated process will immediately resolve this type of discrepancy, these discrepancies will be kept open and assigned to the Exchange in the discrepancy table until the next monthly process automatically removes the discrepancy marker. Until then, it will be kept open and reported to issuers in the discrepancy report for their reference in the event issuers wish to research the cause of the effectuation discrepancy.

This automated process benefits both the Exchange and issuers because it is more efficient than manually correcting data - which is labor and resource intensive.

# 4. Issuer reconciliation file instructions

## 4.1. The reconciliation file (RCNI) data

The reconciliation process between the Exchange and issuers leverages the existing FFM file format which many issuers already use. This file format consists of two sections – summary record layout and detail record layout. Issuers should include the RCNI file enrollments that are in the following statuses:

- Pending

- Confirm

- Cancel
- Term

### 4.1.1. Summary record layout

Note: There may be differences between the FFM description and the Exchange description. Issuers should always refer to the information in the Exchange description column. The FFM description is provided as a comparative point.

| Field | Data Element | FFM Description | Exchange Description | Data Type | Length | Compared to Exchange |
|---|---|---|---|---|---|---|
| 1 | Record Code | Designates the type of record; for a summary record, this value must always be "02" | Designates the type of record; for a summary record, this value must always be "02." | String (Numeric) | 2 | Yes |
| 2 | Trading Partner | The Trading Partner ID associated with each QHP ID Lookup Key in the corresponding "01" detail records | Issuers should send the HIOS ID here. | String (Alphanumeric) | 5-10 | Yes |
| 3 | SPOE ID | This field is to be sent as 10 blank spaces | This field is to be sent as 10 blank spaces. | n/a | 10 | Yes |
| 4 | Tenant ID | Two-character state abbreviation plus a zero (e.g. XX0, where XX is the state code) | This field represents the state identifier. Issuers should send {state_abbreviation}0 (e.g., ID0) in this field. The Exchange will validate this field. | String (Alphanumeric) | 3 | |
| 5 | HIOS ID | Identifier for the issuer as assigned via the Health Insurance Oversight System; corresponds to the first 5 characters of the QHP ID | The Exchange will use this field to identify the issuer. | String (Numeric) | 5 | Yes |
| 6 | QHPID Lookup Key | First 10 characters of the QHP ID associated with the last "01" detail record in the file; used to map the QHP to a Trading Partner ID on the EDI Registration Form | The Exchange expects all issuers to send all the policies in one file instead of generating one file per QHPID. Therefore, the Exchange will ignore this field. | String (Alphanumeric) | 10 | No |
| 7 | Issuer Extract Date | Date the record set was extracted from the iIssuer's system | Send the date when the data is extracted. The Exchange is going to use the latest information in the Exchange system for comparison but date from field will be used to detect missing enrollments. Enrollment present in the Exchange system that was created after this date will not be flagged as missing enrollment.<br><br>Note: Issuers must populate the issuer Extract Date. The | Date (YYYYMMDD) | 8 | Yes |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | Exchange will use this field to determine which policies are actually missing from the issuer file. In the event that issuers do not send the Issuer Extract Date, the Exchange's fall-back logic will use the start date of the month in which the file was received and subtract a configurable number of days (default is 3 days) as the Issuer Extract Date. | | | |
| 8 | Total Number of Records | The total number of "01" and "02" records associated with the HIOS ID in the logical file | Issuers should populate this field. The Exchange is going to use this field to validate the count of policies in the file and to check for file data integrity. | Integer | | Yes |
| 9 | Total Number of Subscribers | Basic count of all "01" records associated with the HIOS ID that have a value of Y in the Subscriber Indicator field

Please note: this is not a count of unique subscribers | Issuers are advised to populate this field. However, the Exchange will not be using this field for comparison or validation. | Integer | | Yes |
| 10 | Total Number of Dependent Members | Basic count of all "01" records associated with the HIOS ID that have a value of N in the Subscriber Indicator field

Please note: this is not a count of unique dependent members | Issuers are advised to populate this field. However, the Exchange will not be using this field for comparison or validation. | Integer | | Yes |
| 11 | Total Premium Amount | Basic sum of the Total Premium Amount in all "01" records associated with the HIOS ID

Please note: this is not a sum of active or current premium values only; all records are to be included in the sum | Issuers are advised to populate this field. However, the Exchange will not be using this field for comparison or validation. | Dollars and Cents (##########.##) | | Yes |
| 12 | Total Applied APTC Amount | Basic sum of the Applied APTC Amount in all "01" records associated with the HIOS ID

Please note: this is not a sum of active or current APTC values only; all records are to be included in the sum | Issuers are advised to populate this field. However, the Exchange will not be using this field for comparison or validation. | Dollars and Cents (##########.##) | | Yes |

### 4.1.2. Detail record layout

Note: There may be differences between the FFM description and the Exchange description. Issuers should always refer to the information in the Exchange description column. The FFM description is provided as a comparative point.

| Field | Data Element | FFM Description | Exchange Description | Data Type | Length | Compared to Exchange |
|-------|--------------|----------------|---------------------|-----------|--------|---------------------|
| 1 | Record Code | Designates the type of record; for a detailed record, this value must always be "01" | | String (Numeric) | 2 | No |
| 2 | Trading Partner ID | The Trading Partner ID associated with the QHP ID Lookup Key of the enrollment record | Issuers should send HIOS ID here. | String (Alphanumeric) | 5-10 | No |
| 3 | SPOE ID | This field is to be sent as 10 blank spaces | Issuers can send 10 blank spaces here. The Exchange is not planning to validate or use this value. | n/a | 10 | No |
| 4 | Tenant ID | Two-character state abbreviation plus a zero (e.g. XX0, where XX is the state code) | This field represents the state identifier. Issuers should send {state_abbreviation}0 (e.g., ID0) in this field. The Exchange will validate this field. | String (Alphanumeric) | 3 | Yes |
| 5 | HIOS ID | Identifier for the Issuer as assigned via the Health Insurance Oversight System; corresponds to the first 5 characters of the QHP ID | Issuers should send HIOS ID here. The Exchange will validate this field. | String (Numeric) | 5 | Yes (critical field) |
| 6 | QHPID Lookup Key | First 10 characters of the QHP ID associated with the enrollment record; used to map the QHP to a Trading Partner ID on the EDI Registration Form | The Exchange expects all issuers to send all the policies in one file instead of generating one file per QHPID. Therefore, the Exchange will ignore this field. | String (Alphanumeric) | 10 | No |
| 7 | Issuer Extract Date | Date the enrollment record was extracted from the Issuer's system | Send the date when the data is extracted. The Exchange is going to use the latest information in the Exchange system for comparison, but date from field will be used to detect missing enrollments. Enrollment present in the Exchange system that was created after this date will not be flagged as missing enrollment.<br><br>Note: Issuers must populate the Issuer Extract Date. The Exchange will use this field to | Date (YYYYMMDD) | 8 | Yes (critical field) |

| Field | Data Element | FFM Description | Exchange Description | Data Type | Length | Compared to Exchange |
|-------|--------------|----------------|---------------------|-----------|--------|----------------------|
| | | | determine which policies are actually missing from the issuer file.  In the event that issuers do not send the Issuer Extract Date, the Exchange's fall-back logic will use the start date of the month in which the file was received and subtract a configurable number of days (default is 3 days) as the Issuer Extract Date. | | | |
| 8 | Issuer Extract Time | Time the enrollment record was extracted from the issuer's system | The Exchange will only use the date part and ignore the exact time. | Time (HHMMSSmm) | 8 | Yes (critical field) |

## Qualified Individual (QI) Information

Note: There are may be differences between the FFM description and the Exchange description. Issuers should always refer to the information in the Exchange description column. The FFM description is provided as a comparative point.

| Field | Data Element | FFM Description | Exchange Description | Data Type | Length | Compared to Exchange |
|-------|--------------|----------------|---------------------|-----------|--------|----------------------|
| 9 | QI First Name | First name of the qualified individual (member) | The Exchange will compare this field. | String | 1-35 | Yes (case insensitive) |
| 10 | QI Middle Name | Middle name of the qualified individual (member) | The Exchange will compare the middle initial and not the full middle name. | String | 1-25 | Yes (case insensitive) |
| 11 | QI Last Name | Last name of the qualified individual (member) | The Exchange will compare this field. | String | 1-60 | Yes (case insensitive) |
| 12 | QI Birth Date | Birthdate of the qualified individual (member) | The Exchange will compare this field. | Date (YYYYMMDD) | 8 | Yes |
| 13 | QI Gender | Member gender; allowed values are F – female or M – male | The Exchange will compare this field. | String (Alphabetical) | 1 | Yes |
| 14 | QI Social Security Number (SSN) | Social Security Number of the member | The Exchange will compare this field. | String (Numeric) | 9 | Yes |
| 15 | Subscriber Indicator | Indicates whether the member is the subscriber of the enrollment group:<br><br>Y – Subscriber<br>N – Dependent Member | The Exchange will validate this field. All policies in the file should have one subscriber. If the policy had multiple subscribers throughout the lifecycle, issuers should send the latest one.<br><br>Note: If this field is not populated, the policy will result | String | 1 | Yes (critical field) |

| Field | Data Element | FFM Description | Exchange Description | Data Type | Length | Compared to Exchange |
|---|---|---|---|---|---|---|
| | | | in error and will not be reconciled. | | | |
| 16 | Individual Relationship Code | Indicates the member's relationship to the subscriber for the enrollment group; use the ASC X12 values in Table 2<br><br>Should the Issuer's system not have the ASC X12 code available then the Issuer should crosswalk to the following four values:<br><br>01 – Spouse<br>18 – Self<br>19 – Child<br>G8 – Other Relative | The Exchange will compare this field.<br><br>The Exchange will use values sent in the 834s for relationships. | String (Alphanumeric) | 2 | Yes |

## Identifying Information

Note: There may be differences between the FFM description and the Exchange description. Issuers should always refer to the information in the Exchange description column. The FFM description is provided as a comparative point.

| Field | Data Element | FFM Description | Exchange Description | Data Type | Length | Compared to Exchange |
|---|---|---|---|---|---|---|
| 17 | Exchange-Assigned Subscriber ID | Exchange-Assigned identifier for the subscriber of the enrollment group; if the member in the record is the subscriber, this will be the same as the Exchange-Assigned Member ID<br><br>Must be 10 characters, including leading zeros | This is a very critical and required field used to group records belonging to a given policy and consumer.<br><br>Issuers should send Exchange Assigned Subscriber ID here. The Exchange will use this field as the key for mapping after matching Exchange Assigned Policy ID. | String (Numeric) | 10 | Yes (Unique Secondary Key) |
| 18 | Exchange-Assigned Member ID | Exchange-Assigned identifier for the member Must be 10 characters, including leading zeros | This is a very critical and required field used to group records belonging to a given policy and consumer.<br><br>Issuers should send Exchange Assigned Member ID here. The Exchange will use this field as the secondary key for mapping after matching Exchange Assigned Policy ID. | String (Numeric) | 10 | Yes (Unique Secondary Key) |
| 19 | Issuer-Assigned Subscriber ID | Issuer-Assigned identifier for the subscriber of the enrollment group; if the member in the record is the subscriber, this should be | Issuers should send their Issuer Assigned Subscriber ID here. | String (Alphanumeric) | 1-50 | No (may change in the future) |

| Field | Data Element | FFM Description | Exchange Description | Data Type | Length | Compared to Exchange |
|---|---|---|---|---|---|---|
| | | the same as the Issuer-Assigned Member ID | | | | |
| 20 | Issuer-Assigned Member ID | Issuer-Assigned identifier for the member | Issuers should send their Issuer Assigned Member ID here. | String (Alphanumeric) | 1-50 | No (may change in the future) |
| 21 | Exchange-Assigned Policy Number | Identifier for this enrollment policy document, generated by the FFM | This is a very critical and required field used to group records belonging to a given policy and consumer.<br><br>Issuers should send Exchange Assigned Policy ID here. The Exchange will use this field as the primary key for mapping. | String (Numeric) | 1-15 | Yes (Unique Primary Key) |
| 22 | Issuer-Assigned Policy ID | Policy number for the benefit coverage as assigned by the Issuer; this value must be populated for proper determination of the enrollment group from the ilssuer's perspective<br><br>This value must be unique to an enrollment group (within a HIOS ID) and consistent across all members of the enrollment group | The Exchange will treat this as an optional field since some of the issuers may not assign Issuer Assigned Policy ID. | String (Alphanumeric) | 1-50 | No |

## Residential Address Information

Note: There may be differences between the FFM description and the Exchange description. Issuers should always refer to the information in the Exchange description column. The FFM description is provided as a comparative point.

| Field | Data Element | FFM Description | Exchange Description | Data Type | Length | Compared to Exchange |
|---|---|---|---|---|---|---|
| 23 | Residential Address Line 1 | Residential street address of the member (Line 1) | Issuers should remove leading and trailing spaces from this field. Issuers should not send bad address labels here for returned mail.<br><br>Note: The Exchange maintains separate Residential Address values for each individual member within the household. Carriers are instructed to send the Residential Address value they have on file for each member. | String | 1-55 | Yes |

| 24 | Residential Address Line 2 | Residential street address of the member (Line 2) | Issuers should remove leading and trailing spaces from this field. Issuers should not send bad address labels here for returned mail. | String | 1-55 | Yes |
|---|---|---|---|---|---|---|
| 25 | Residential City Name | Residential city of the member | Issuers should remove leading and trailing spaces from this field. Issuers should not send bad address labels here for returned mail. | String | 1-30 | Yes |
| 26 | Residential State Code | State abbreviation for the residential state of the member | Issuers should remove leading and trailing spaces from this field. Issuers should not send bad address labels here for returned mail. | String | 2 | Yes |
| 27 | Residential ZIP Code | Residential ZIP Code of the member | Issuers should remove leading and trailing spaces from this field. Issuers should not send bad address labels here for returned mail. | Integer | 5 | Yes |

**Mailing Address Information**

Note: There may be differences between the FFM description and the Exchange description. Issuers should always refer to the information in the Exchange description column. The FFM description is provided as a comparative point.

| Field | Data Element | FFM Description | Exchange Description | Data Type | Length | Compared to Exchange |
|---|---|---|---|---|---|---|
| 28 | Mailing Address Line 1 | Mailing street address of the member (Line 1) | Issuers should remove leading and trailing spaces from this field. If issuers have a bad address on file (returned mail), then this field should be populated as "BAD ADDRESS." Note: The Exchange maintains separate Mailing Address values for each individual member within the household. Carriers are instructed to send the Mailing Address value they have on file for each member | String | 1-55 | Yes (case insensitive with removal of leading/trailing spaces) |
| 29 | Mailing Address Line 2 | Mailing street address of the member (Line 2) | Issuers should remove leading and trailing spaces from this field. Issuers should not send bad address labels here for returned mail. | String | 1-55 | Yes |
| 30 | Mailing Address City | Mailing city of the member | Issuers should remove leading and trailing spaces from this field. Issuers should not send | String | 1-30 | Yes |

| | | | bad address labels here for returned mail. | | | |
|---|---|---|---|---|---|---|
| 31 | Mailing Address State Code | State abbreviation for the mailing state of the member | Issuers should remove leading and trailing spaces from this field. Issuers should not send bad address labels here for returned mail. | String | 2 | Yes |
| 32 | Mailing Address ZIP Code | Mailing ZIP Code of the member | Issuers should remove leading and trailing spaces from this field. Issuers should not send bad address labels here for returned mail. | Integer | 5 | Yes |

## Other Demographic Information

Note: There may be differences between the FFM description and the Exchange description. Issuers should always refer to the information in the Exchange description column. The FFM description is provided as a comparative point.

| Field | Data Element | FFM Description | Exchange Description | Data Type | Length | Compared to Exchange |
|---|---|---|---|---|---|---|
| 33 | Residential County Code | Residential County (Federal Information Processing Standard – FIPS) Code of the member | This field will be strictly validated by the Exchange. | String (Numeric) | 5 | Yes |
| 34 | Rating Area | Rating area of the enrollment, based on residential address; only applies to subscriber records | This field will be strictly validated by the Exchange. | String (Alphanumeric) | 7 | Yes |
| 35 | Telephone Number | Primary contact telephone number for the member | This field will be strictly validated by the Exchange. | String (Numeric) | 10 | Yes |

## Benefit Coverage & Financial Information

Note: There are may be differences between the FFM description and the Exchange description. Issuers should always refer to the information in the Exchange description column. The FFM description is provided as a comparative point.

| Field | Data Element | FFM Description | Exchange Description | Data Type | Length | Compared to Exchange |
|---|---|---|---|---|---|---|
| 36 | Tobacco Use Code | Specifies whether the member has indicated tobacco use in the past six months: | This field will be strictly validated by the Exchange. | Integer | 1 | Yes |

| | | 1 – Tobacco Use<br>2 – No Tobacco Use<br><br>Note: For any individual under 18 years of age, this field should always be sent with a value of 2 | | | | |
|---|---|---|---|---|---|---|
| 37 | QHP Identifier | Full 16-character Qualified Health Plan (QHP) identifier, including CSR variant; required for all records | This field will be strictly validated by the Exchange. | String (Alphanumeric) | 16 | Yes |
| 38 | Benefit Start Date | Effective date of benefit coverage associated with this enrollment record; required for all records | The Exchange expects this date to always be present for all member records in the file and not just in the subscriber record. This field will be strictly validated by the Exchange and if this field is not sent correctly, then it will lead to an error and inability to reconcile that policy.<br><br>The Exchange will be validating the following rules:<br>● This date should match the coverage year of the policy in the Exchange system. For example, if the Exchange system has a start date of 1/1/2017 and issuers send this as 1/1/2016, it will lead to an error and the Exchange will not be able to reconcile this policy because we will be unable to translate monthly premiums based on this date.<br>● This date should not be greater than Benefit End Date.<br><br>Note: As an example, for a 2017 renewed policy, the Exchange expects this date to be 1/1/2017 and not 1/1/2016 or 1/1/2015 or earlier dates. | Date (YYYYMMDD) | 8 | Yes (critical field) |
| 39 | Benefit End Date | Last date of benefit coverage associated with this enrollment record; a blank date may be sent for open-ended or cancelled coverage | This field will be strictly validated by the Exchange using similar rules as Benefit Start Date above. The Exchange will compare this field to the Policy Coverage End Date field in the Exchange system.<br><br>Note: This date cannot be null. The Exchange expects | Date (YYYYMMDD) | 8 | Yes (critical field) |

| | | | this date to be 12/31 of the given coverage year for an effectuated active enrollment. For terminated or cancelled policies, the Exchange expects this date to be the termination date. For a cancelled policy, the Exchange expects this date to match the Benefit Start Date. | | | |
|---|---|---|---|---|---|---|
| 40 | Applied APTC Amount | Amount of Advance Premium Tax Credit applied to the premium monthly, based on the subscriber's election during enrollment; only applies to subscriber records, otherwise blank Note: If there is no APTC applied to the enrollment, the issuer may send the Applied APTC Amount as blank or explicitly as 0.00 | If there is no APTC Applied, issuers should send this field as null. | Dollars and Cents (####.##) | 4-8 | Yes (critical field) |
| 41 | Applied APTC Effective Date | Effective date of the monthly applied APTC amount; only applies to subscriber records with a positive Applied APTC Amount, otherwise blank | The Exchange will validate this date to be present within the coverage period of the enrollment. For example, for a 2017 policy, this date should be within the year 2017. This field cannot be blank. | Date (YYYYMMDD) | 8 | Yes (critical field) |
| 42 | Applied APTC End Date | End date of the monthly applied APTC amount; only applies to subscriber records with a positive Applied APTC Amount, otherwise blank | The Exchange will validate this date to be present within the coverage period of the enrollment. For example, for a 2017 policy, this date should be within the year 2017. This field cannot be blank. | Date (YYYYMMDD) | 8 | Yes (critical field) |
| 43 | CSR Amount | Monthly Cost Sharing Reduction amount based on plan selection and member eligibility; only applies to subscriber records, otherwise blank  Note: If there is no CSR applied to the enrollment, the iIssuer may send the CSR Amount as blank or explicitly as 0.00 | | Dollars and Cents (####.##) | 4-8 | Yes (critical field) |
| 44 | CSR Effective Date | Effective date of the monthly CSR amount; only applies to subscriber records with a positive CSR Amount, otherwise blank | The Exchange will validate this date to be present within the coverage period of the enrollment. For example, for a 2017 policy, this date should be within the year 2017. This field cannot be blank. | Date (YYYYMMDD) | 8 | Yes (critical field) |

| 45 | CSR End Date | End date of the monthly CSR amount; only applies to subscriber records with a positive CSR Amount, otherwise blank<br><br>Note: A blank date may be sent for open-ended or cancelled coverage | The Exchange will validate this date to be present within the coverage period of the Enrollment. For example, for a 2017 policy, this date should be within the year 2017. This field cannot be blank. | Date (YYYYMMDD) | 8 | Yes (critical field) |
|---|---|---|---|---|---|---|
| 46 | Total Premium Amount | Total monthly premium amount for the enrollment group; only applies to subscriber records, otherwise blank | For subscriber records, the Exchange will compare this field with the Monthly Gross Premium (total premium excluding PTA deduction) after translating the financial spans into monthly premiums. For non-subscriber records, the amount should either be the same as the subscriber Total Premium Amount, or $0. This field cannot be blank. | Dollars and Cents (####.##) | 4-8 | Yes (critical field) |
| 47 | Total Premium Effective Date | Effective date of the monthly Total Premium Amount; only applies to subscriber records, otherwise blank | This field represents the financial spans and cannot be blank. The Exchange will use this field to translate the financial spans into monthly premiums to compare against monthly premiums stored in the Exchange system. | Date (YYYYMMDD) | 8 | Yes (critical field) |
| 48 | Total Premium End Date | End date of the monthly Total Premium Amount; only applies to subscriber records, otherwise blank<br><br>Note: A blank date may be sent for open-ended or cancelled coverage | This field represents the financial spans and cannot be blank. The Exchange will use this field to translate the financial spans into monthly premiums to compare against monthly premiums stored in the Exchange system. | Date (YYYYMMDD) | 8 | Yes (critical field) |
| 49 | Individual Premium Amount | Monthly premium amount associated with the individual member; sent for both subscriber and dependent member records, if available in the issuer's system | The Exchange is not planning to compare / validate the individual level premiums. Issuers can send this field if available. | Dollars and Cents (####.##) | 4-8 | No |
| 50 | Individual Premium Effective Date | Effective date of the monthly individual premium amount; sent for both subscriber and dependent member records, if available in the issuer's system | The Exchange is not planning to compare / validate the individual level premiums. Issuers can send this field if available. | Date (YYYYMMDD) | 8 | No |
| 51 | Individual Premium End Date | End date of the monthly individual premium amount; sent for both subscriber and | The Exchange is not planning to compare / validate the individual level premiums. | Date (YYYYMMDD) | 8 | No |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | dependent member records, if available in the issuer's system<br><br>Note: A blank date may be sent for open-ended or cancelled coverage | Issuers can send this field if available. | | | |
| 52 | Initial Premium Paid Status | Indicates if the initial binder payment has been made for the enrollment, leading to effectuated coverage:<br><br>Y – Effectuated (active or terminated coverage)<br>N – Uneffectuated (awaiting binder payment)<br>C – Cancelled (no binder payment received, no period of coverage)<br><br>This value is to be sent with the subscriber of the enrollment group and will apply to all members of the enrollment group | The Exchange will use this field to determine policy status in the Exchange system. The Exchange will use the logic below to translate this field to the Exchange status:<br><br>If "Y" and Benefit End Date is equal to 12/31, then the Exchange will consider this as Confirm.<br><br>If "Y" and Benefit End Date is not equal to 12/31, then the Exchange will consider this as Term.<br><br>If "N" and Benefit End Date equals 12/31, then the Exchange will consider this as Pending.<br><br>If "N" and Benefit End Date is not equal to 12/31, then the Exchange will consider this as Cancel. In this case, the Exchange will also validate if the Benefit End Date matches the Benefit Start Date and return both Status and Benefit End Date discrepancy if dates do not match.<br><br>If "C," then the Exchange will consider this as Cancel. In this case, the Exchange will also validate if the Benefit End Date matches the Benefit Start Date and return Benefit End Date discrepancy if dates do not match. | String (Alphabetical) | 1 | Yes |
| 53 | Issuer-Assigned Record Trace Number | Optional Issuer-Assigned identifier for the reconciliation record to track the specific record through the process; this value will be carried through to the corresponding record on the Outbound Enrollment Reconciliation File | This is an optional field for the Exchange. | String (Alphanumeric) | 1-50 | No |

| 54 | Coverage Year | Relevant 4-digit Plan Year represented by the enrollment record; this value should be consistent for all records in the file | The Exchange will validate this year with the coverage period of the policy. | String (Numeric) | 4 | Yes |
|---|---|---|---|---|---|---|
| 55 | Paid Through Date | Date through which the member has made payment for benefit coverage (as provided by the ilssuer); only applies to subscriber records, otherwise blank<br><br>Please refer to Appendix A for additional details and example scenarios | Issuers should send the last premium paid date here.<br><br>This is an optional field for the Exchange, but issuers are advised to send this so that the Exchange has this information to gauge policy termination due to non-payment risk. | Date (YYYYMMDD) | 8 | No (may change in the future) |
| 56 | End of Year Termination Indicator | Indicates if the enrollment record will be terminated effective December 31st of the given plan year and should be ineligible for re-enrollment through Batch Auto-Renewal; 'Y' indicates terminated 12/31, 'N' indicates not terminated 12/31<br><br>Note: This field will only be populated for enrollment records with an end date of December 31st of the given plan year | The Exchange is going to use this field to determine if a given policy is terminated. | String (Alphabetical) | 1 | Yes |

## Agent / Broker Information

Note: There may be differences between the FFM description and the Exchange description. Issuers should always refer to the information in the Exchange description column. The FFM description is provided as a comparative point.

| Field | Data Element | FFM Description | Exchange Description | Data Type | Length | Compared to Exchange |
|---|---|---|---|---|---|---|
| 57 | Agent / Broker Name | Full name of the agent / broker associated with the enrollment, if applicable<br><br>Note: This field must be populated if Agent / Broker NPN is populated, otherwise no updates will be made to agent / Broker information on the FFM | The agent / broker's first and last names will be in one field. Both broker names and NPN will always be sent.<br><br>Note: This field must be populated along with the NPN. Otherwise, the reconciliation system will flag the element as a discrepancy. | String | 1-150 | Yes |
| 58 | Agent / Broker ID Number | In FFM, this field is populated with the National | In the case of the HIX recon file, issuers should populate this field with the agent's 's | String (Numeric) | 1-10 | Yes |

| | | Producer Number of the agent / broker.<br>The State License Number of the agent / broker, if applicable<br><br>Note: This field must be populated if Agent / Broker Name is populated, otherwise no updates will be made to agent / broker information on the FFM | Federal Tax ID Number OR the agent's s NPN (National Producer Number). Whichever value your state implementation dictates.<br>Note: HIX currently sends both the agent's federal tax ID number AND the agent's NPN in the 834.<br>Note: This field must be populated if Agent / Broker Name is populated. | | | |
|---|---|---|---|---|---|---|

## 4.2. File name format

**4.2.1. Issuer to Exchange file format**

DIRECTION_HIOSID_MARKET_FILETYPE_COVERAGEYEAR_DATETIME.IN

For example: from_59765_INDV_MONTHLYRECON_2016_20160402150258.IN


**4.2.2. Exchange to issuer file format**

The Exchange will generate one discrepancy file per incoming issuer file. For example, if a given issuer sends two files in a month, they will receive two discrepancy files. The file naming convention used to generate this discrepancy file:

DIRECTION_HIOSID_MARKET_FILETYPE_COVERAGEYEAR_DATETIME.OUT

For example:  to_59765_INDV_MONTHLYDISCREPANCY_2016_DATETIME.OUT

Note: The name of the file for which the discrepancy report is in reference to will be provided inside the csv file in the last column named "Recon File Name."


## 4.3. Frequency files should be sent

Modeled in part on CMS's reconciliation process with SBMs, the Exchange will also require issuers to participate in a recurring reconciliation process. As the IRS requires SBMs to retain enrollment data and send 1095A forms to consumers for a period of seven years, issuers should also expect to continue sending reconciliation files to the Exchange for a period of seven years.

### 4.3.1. Submission Schedule

Issuers should expect to send the RCNI file to the Exchange system on a recurring basis. The Exchange system is able to receive files at any time, however the Exchange operations team will determine a date by which each issuer must send their RCNI files. Reconciliation files for each coverage year should be sent no more than once per month.

Issuers should expect to send RCNI files in the following pattern:

| Year | Submission Frequency | Submission Frequency Total |
|------|----------------------|----------------------------|
| Year-1 (current plan year) | Monthly | |
| Year-2 | Monthly for the first 4 months + Quarterly beginning July | Total of 16 monthly submissions |
| Year-3 | Quarterly | Total of 6 quarterly submissions |
| Year-4 to the end of Year-7 | Annually | Total of 4 annual submissions |
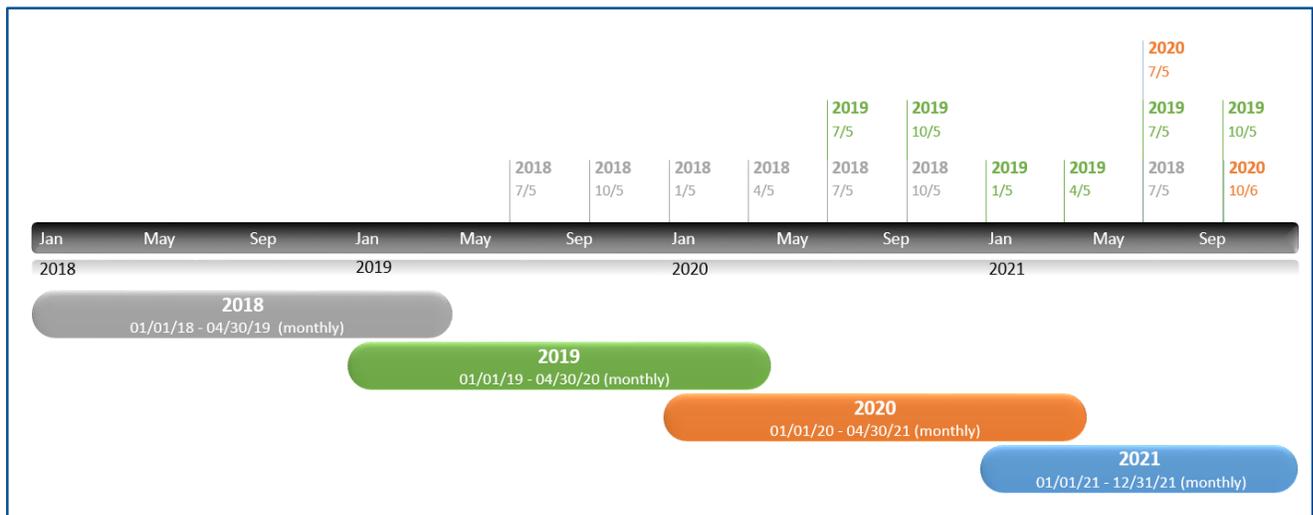


## 4.4. Data population

In order for the Exchange to correctly process the file, issuers should pay special attention to this section and populate the data based on following rules.

1. Issuers must send one file containing all their enrollments instead of generating one file per QHPID Lookup Key. The Exchange will ignore the QHPID Lookup Key field.

2. Timing of Running the Comparison Between the Exchange and the Issuer RCNI file: The Exchange will maintain a record of the date the RCNI file was generated by the issuer (e.g., the "Issuer Extract Date"). This date is either sent by the issuer in the RCNI file (preferred) or is a derived date calculated as three days prior to the month of receipt's first date (e.g., if the date of receipt is April 12, the date used for the calculation is three days prior to April 1). This date is included in the summary section of the RCNI file. Comparisons will include the day of the last Issuer Extract Date to the day before the current Issuer Extract Date.

3. Mandatory Fields. All elements in the RCNI file may be optional (e.g., sent as ||) except for the following:
   Field-1: Record Code
   Field-5: Hios Id
   Field-9: Qi First Name
   Field-11: Qi Last Name
   Field-12: Qi Birth Date
   Field-16: Individual Relationship Code
   Field-21: Exchange Assigned Policy Number
   Field-37: Qhp Identifier
   Field-38: Benefit Start Date
   Field-39: Benefit End Date
   Field-54: Coverage Year

   If any of these fields are missing data, the record will be flagged in the Exchange's enrollment reconciliation error table. Any member having the same Exchange policy ID as one that is missing one of the mandatory fields will also be flagged as a discrepancy because processing cannot proceed until every member of a given enrollment record has data in all the mandatory fields.

4. Issuers must populate "Total Number of Records" in the summary section. The Exchange will validate this count to ensure data integrity before processing the file.

5. Matching Between the Exchange and the Issuer RCNI file: The Exchange uses the Exchange Assigned Policy Number and the HIOS ID to match records from the issuer's RCNI file to the enrollment in the Exchange's system. Therefore these two fields are among the mandatory fields. If these two data points are not included in the RCNI file, the record will be flagged as a discrepancy.

6. A Subscriber Indicator: For each policy, there should be one record with "Subscriber Indicator" field set to Y. Otherwise, the policy will be flagged as an error and will not be reconciled.

7. Coverage Period: The following coverage date fields should always be sent for all the records in the file (including dependent records). When processed against the subscriber

record, these dates will represent the Policy Coverage Period. When processed against dependent record, these dates represent the Member Coverage Period. If these fields are not populated, it will lead to error and failure to reconcile that policy.

- ○ Benefit Start Date

- ○ Benefit End Date

8. Dates for Premium Translation: Because issuers will send premiums in the file in time range format, the Exchange will have to translate time range to monthly premiums. In order to do this, the Exchange will rely on the following date fields to be populated accurately to span the full coverage period of the policy. Issuers should pay close attention to the following special rules:

- ○ The premium time range information should be sent using the following two date fields:

  - ■ Total Premium Effective Date

  - ■ Total Premium End Date

- ○ These dates are required and must be sent with the subscriber record. The subscriber record should be repeated multiple times based on the number of time ranges.

- ○ The Exchange will ignore the values sent with the dependent record.

9. The Exchange will not use Individual Premium Amount, Individual Premium Effective Date, and Individual Premium End Date fields. Data sent in those fields will be ignored.

10. The Exchange will translate this to monthly premiums and validate if all months within the Policy Coverage Period are sent. If a month is found missing, then the entire policy will result in an error and will not be reconciled.

11. Prorated Premiums: The Exchange will prorate the issuer sent premiums in the "Total Premium Amount" field and compare it with the monthly premium stored in the Exchange system. If the prorated premiums do not match, then a discrepancy code with a corresponding month indicator will be sent back to the issuer in the discrepancy report. Issuers are expected to return the prorated amount. See 6.1.4. Premium proration where consumers have mid-month start or end dates for proration business rules

12. APTC Amounts: Similar to premium translation to monthly format, the Exchange will also translate the APTC amounts to monthly amounts based on the dates sent in the file.

- The Exchange will use the fields below to determine monthly APTC amounts:

    - Applied APTC Effective Date

    - Applied APTC End Date

    - Applied APTC Amount

- The Exchange expects the APTC effective and end dates to be populated all the time for the subscriber record if Applied APTC Amount field is sent. If the date fields are missing, it will lead to error and failure to reconcile that policy.

- Note:The Exchange will not prorate APTC amounts for mid-month scenarios, but will cap the APTC amount to prorated premium applicable for that month. The Exchange will validate that the APTC is being over allocated and accordingly return an error message. Issuers are expected to return the capped amount.

13. CSR Amounts: Similar to premium translation to monthly format, the Exchange will also translate the CSR amounts to monthly amounts based on the dates sent in the file.

    - The Exchange will use the fields below to determine monthly CSR amounts:

        - CSR Effective Date

        - CSR End Date

        - CSR Amount

    - The Exchange will prorate monthly CSR amounts similar to monthly premiums using the formula below. Issuers are expected to return the prorated monthly CSR amount.

        - Prorated CSR Amount = Monthly Premium x CSR Multiplier %

    - The prorated CSR amount will be rounded off using half-up rounding modality.

    - Note: The Exchange will be sending this Monthly CSR Amount to CMS for reporting. It is important that issuers review this formula and reconcile this monthly prorated value.

14. Bad Mailing Address: Issuers can help the Exchange flag bad mailing addresses (returned mail) by sending "BAD ADDRESS" value in "Mailing Address Line 1" field.

    - Note: This indicator should be sent only in Mailing Address field and not for Home Address field.

15. Policy Effectuation Status: The Exchange will use the "Initial Premium Paid Status" field to reconcile the policy status in the Exchange's reconciliation system. The rule applied:

- If "Y" and:

  - Benefit End Date is equal to 12/31, then the Exchange will mark this enrollment as Confirm.

  - Benefit End Date not equal to 12/31, then the Exchange will mark this enrollment as Term.

- If "N" and

  - Benefit End Date is equal to 12/31, then the Exchange will mark this enrollment as Pending.

  - Benefit End Date is not equal to 12/31, then the Exchange will mark this enrollment as Cancel. In this case, the Exchange will also validate if the Benefit End Date matches the Benefit Start Date and flag both status and Benefit End Date discrepancies if dates do not match.

- If "C," then the Exchange will mark this enrollment as Cancel.

  - In this case, the Exchange will also validate if the Benefit End Date matches the Benefit Start Date and flag Benefit End Date discrepancy if dates do not match.

16. Policy Termination Status: The Exchange will use the "End of Year Termination Indicator" field to figure out if a given policy is terminated. The Exchange will accordingly translate the policy with this field set to Term status.

17. Issuers should populate consumer's last premium paid through date in the "Paid Through Date" field (e.g., field-55). This is an optional field and will not be used for discrepancy identification. But, this information is a back-up in case the last premium paid through date is not received through the 834. This date is required for the Exchange to accurately format 1095s in the event of termination for non-payment.

# 5. Issuer discrepancy report

## 5.1. File format

All identified discrepancies will be reported back to issuers using a Discrepancy Report in csv format with the following data elements:

- HIOS Issuer ID

- Market Coverage

- File Date Time

- Exchange Assigned Policy ID

- Plan ID

- Member Last Name

- Member First Name

- Exchange Assigned Member ID

- Issuer Assigned Member ID

- Subscriber Last Name

- Subscriber First Name

- Exchange Assigned Subscriber ID

- Issuer Assigned Subscriber ID

- Discrepancy Reason Code

- Exchange Value

- Issuer Value

- Date of Discrepancy

- Assignee

A sample discrepancy report is provided below for reference:

| HIOS Issuer ID | 61589 |
| Market | IND |
| File Date Time | 20150414 |

| Exchange Assigned Policy ID | Plan ID | Member Last Name | Member First Name | Exchange Assigned Member ID | Issuer Assigned Member ID | Subscriber Last Name | Subscriber First Name | Exchange Assigned Subscriber ID | Issuer Assigned Subscriber ID | Discrepancy Reason Code | YHI Value | Issuer Value | Date of Discrepancy | Assignee |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 35634 | 61589ID1610001 | Doe | John | 1000110476 | 97074696801 | Doe | John | 1000110476 | 970746968 | 2100C_AA | 424 6th St | PO Box 1030 | 4/7/15 | Issuer |
| 35634 | 61589ID1610001 | Smith | James | 1000110476 | 97074696801 | Smith | James | 1000110476 | 970746968 | 2100C_AC | Wallace | Osburn | 4/7/15 | Issuer |
| 23839 | 61589ID1650001 | Appleseed | Johnny | 1000073512 | 97074852201 | Appleseed | Johnny | 1000073512 | 970748522 | 2100C_AB | Null | | 4/7/15 | Issuer |

Figure 16. Snapshot of Discrepancy Report

Note: Where it says "YHI Value," it will display the individual state's state abbreviation.

## 5.2. Discrepancy error codes

The table below contains the full list of error codes that will be applicable:

| Discrepancy Reason Code | Data Element Name | Brief Description of the Information | Who makes the correction | Source of Truth |
|---|---|---|---|---|
| 1000C_AA | Agent / Broker Name | Broker Name | Issuer | The Exchange |
| 1000C_AC | Broker Account Number / Agent / Broker NPN | Broker Account Number | Issuer | The Exchange |
| 2000_AA | Issuer Assigned Member ID | ID assigned by the issuer for the individual. | Issuer | The Exchange |
| 2000_AB | Issuer Assigned Subscriber ID | ID assigned by the issuer for the Subscriber of the policy. | Issuer | The Exchange |
| 2000A_AC | Relationship Code | Relationship of member to the subscriber | Issuer | The Exchange |
| 2100A_AA | LastName | Enrollee Last Name | Issuer | The Exchange |
| 2100A_AB | FirstName | Enrollee First Name | Issuer | The Exchange |
| 2100A_AC | Middle Name | Enrollee Middle Name | Issuer | The Exchange |
| 2100A_AE | SSN | Social Security Number | Issuer | The Exchange |
| 2100A_AF | Primary Phone / Telephone Number | Primary Phone Number | Issuer | The Exchange |
| 2100A_AI | Residential Address Line 1 | Residential Address Line 1 | Issuer | The Exchange |
| 2100A_AJ | Residential Address Line 2 | Residential Address Line 1 | Issuer | The Exchange |
| 2100A_AK | Residential City Name | Residential City Name | Issuer | The Exchange |
| 2100A_AL | Residential State Code | Residential State Code. | Issuer | The Exchange |
| 2100A_AM | Residential Postal Code | Residential Zip Code | Issuer | The Exchange |
| 2100A_AN | Residential County Code | Residential County Code | Issuer | The Exchange |
| 2100A_AO | Birth Date | Enrollee Birth date. | Issuer | The Exchange |
| 2100A_AP | Gender Code | Enrollee Gender | Issuer | The Exchange |
| 2100A_AS | Tobacco Usage | Tobacco Usage Flag | Issuer | The Exchange |
| 2100C_AA | Mailing Address Line 1 | Mailing Address Line 1 | Issuer | The Exchange |
| 2100C_AB | Mailing  Address Line 2 | Mailing Address Line 2 | Issuer | The Exchange |
| 2100C_AC | Mailing City Name | Mailing Address City | Issuer | The Exchange |
| 2100C_AD | Mailing State Code | Mailing Address State Code | Issuer | The Exchange |
| 2100C_AE | Mailing Postal Code | Mailing Address Zip | Issuer | The Exchange |
| 2300_AA | Plan ID | The CMS Plan ID of the Policy | Issuer | The Exchange |

| | | | | |
|---|---|---|---|---|
| 2300_AB | Subscriber Benefit Begin Date | Subscriber/Enrollment benefit begin date | Issuer | The Exchange |
| 2300_AC | Subscriber Benefit End Date | Subscriber/Enrollment benefit end date | Issuer | The Exchange |
| 2300_AD | Member Benefit Begin Date | Start Date for the Benefits | Issuer | The Exchange |
| 2300_AE | Member Benefit End Date | End Date for the Benefits | Issuer | The Exchange |
| 8000_AA | Member Not in the Exchange System | Member Not in the Exchange System<br><br>On Discrepant Field pass: [First Name Last Name and SSN] of the missing member | Issuer | The Exchange |
| 8000_AB | Member Not in Issuer System | Member Not in Issuer System<br><br>On Discrepant Field pass: [First Name Last Name and SSN] of the missing member | Issuer | The Exchange |
| 8000_AC | Enrollment Not in the Exchange System | | Issuer | The Exchange |
| 8000_AD | Enrollment Not in Issuer System | | Issuer | The Exchange |
| 8100_AA | Bad Mailing Address | | Issuer | The Exchange |
| 8200_AA* | Effectuation Status | | The Exchange | Issuer |
| 8200_AB* | Member Effectuation Status | | The Exchange | Issuer |
| 8300_AA | Enrollment End of Year Termination Status | | The Exchange | Issuer |
| 8300_AB | Member End of Year Termination Status | | The Exchange | Issuer |
| 8400_AA | Coverage Year | | Issuer | The Exchange |
| 8500_AA | Split Household | | Issuer | The Exchange |
| 9000_AA | January Premium | | Issuer | The Exchange |
| 9000_AB | February Premium | | Issuer | The Exchange |
| 9000_AC | March Premium | | Issuer | The Exchange |
| 9000_AD | April Premium | | Issuer | The Exchange |
| 9000_AE | May Premium | | Issuer | The Exchange |
| 9000_AF | June Premium | | Issuer | The Exchange |
| 9000_AG | July Premium | | Issuer | The Exchange |
| 9000_AH | August Premium | | Issuer | The Exchange |

| | | | | |
|---|---|---|---|---|
| 9000_AI | September Premium | | Issuer | The Exchange |
| 9000_AJ | October Premium | | Issuer | The Exchange |
| 9000_AK | November Premium | | Issuer | The Exchange |
| 9000_AL | December Premium | | Issuer | The Exchange |
| 9100_AA | January APTC | | Issuer | The Exchange |
| 9100_AB | February APTC | | Issuer | The Exchange |
| 9100_AC | March APTC | | Issuer | The Exchange |
| 9100_AD | April APTC | | Issuer | The Exchange |
| 9100_AE | May APTC | | Issuer | The Exchange |
| 9100_AF | June APTC | | Issuer | The Exchange |
| 9100_AG | July APTC | | Issuer | The Exchange |
| 9100_AH | August APTC | | Issuer | The Exchange |
| 9100_AI | September APTC | | Issuer | The Exchange |
| 9100_AJ | October APTC | | Issuer | The Exchange |
| 9100_AK | November APTC | | Issuer | The Exchange |
| 9100_AL | December APTC | | Issuer | The Exchange |
| 9200_AA | January CSR | | Issuer | The Exchange |
| 9200_AB | February CSR | | Issuer | The Exchange |
| 9200_AC | March CSR | | Issuer | The Exchange |
| 9200_AD | April CSR | | Issuer | The Exchange |
| 9200_AE | May CSR | | Issuer | The Exchange |
| 9200_AF | June CSR | | Issuer | The Exchange |
| 9200_AG | July CSR | | Issuer | The Exchange |
| 9200_AH | August CSR | | Issuer | The Exchange |
| 9200_AI | September CSR | | Issuer | The Exchange |
| 9200_AJ | October CSR | | Issuer | The Exchange |
| 9200_AK | November CSR | | Issuer | The Exchange |
| 9200_AL | December CSR | | Issuer | The Exchange |
| 9300_AA | January Rating Area | | Issuer | The Exchange |
| 9300_AB | February Rating Area | | Issuer | The Exchange |
| 9300_AC | March Rating Area | | Issuer | The Exchange |

| | | | | |
|---|---|---|---|---|
| 9300_AD | April Rating Area | | Issuer | The Exchange |
| 9300_AE | May Rating Area | | Issuer | The Exchange |
| 9300_AF | June Rating Area | | Issuer | The Exchange |
| 9300_AG | July Rating Area | | Issuer | The Exchange |
| 9300_AH | August Rating Area | | Issuer | The Exchange |
| 9300_AI | September Rating Area | | Issuer | The Exchange |
| 9300_AJ | October Rating Area | | Issuer | The Exchange |
| 9300_AK | November Rating Area | | Issuer | The Exchange |
| 9300_AL | December Rating Area | | Issuer | The Exchange |
| 9400_AA | Subscriber Mismatch | | Issuer | The Exchange |
| 9500_AA | Over allocation of APTC | | Issuer | The Exchange |

* The effectuation status and member effectuation status will both be auto-fixed by the system.

# 6. Enrollment Processes Impacting Reconciliation

The reconciliation process requirements are driven in part by how the Exchange's system processes enrollments. To facilitate and avoid reconciliation data discrepancies, the Exchange has a series of best practices that issuers should follow.

## 6.1. Exchange to Issuers

One way to reduce reconciliation issues is for issuers to understand and process data from the Exchange in the same manner used by the Exchange. To this end, this section explains how the Exchange addresses real-life scenarios that consumers may face so that issuers will understand the business rules and what to expect to receive from the Exchange.

### 6.1.1. Types of transactions accepted by the Exchange

Issuers in most states are only allowed to Confirm or Terminate/Cancel a policy due to non-payment.

Best practice recommendation for Issuers

For all 834 transactions, issuers may only send:

> - Confirm
> - Cancel for non-payment
> - Term for non-payment

*Requirement*: Required

*Rationale:* Because the Exchange or a state agency determines eligibility for participating in the Exchange but issuers are the source of truth for premium payments made to issuers, issuers are only allowed to send transactions that have payment implications.


### 6.1.2. Coverage Dates

As the arbiter of whether a consumer is eligible to purchase coverage through the Exchange, consumers must notify the Exchange of any change that may impact their coverage. These changes may also impact the coverage dates that the consumer is eligible for.

Best practice recommendation for Issuers

> Issuers CANNOT:
> - Modify the start date of a policy
> - Term or cancel a policy for any reason other than non-payment (maintenance reason 59) - see 6.2.1. Enrollment status change due to payment for more detailed instruction
> - Extend the termination date of an already terminated policy
> - Set a termination date that is outside the coverage year of the policy

*Requirement*: Required

*Rationale*: If issuers send coverage date updates without an accompanying MRC 59, the 834 file will be rejected. If updates are sent with an accompanying MRC 59, the 834 file will not be rejected. However, if the updates included in the MRC 59 transaction also include ones that violate the business rules, those updates will be ignored by the Exchange's enrollment system. At this point, the coverage date data will not be the same between the Exchange and issuers. This will be a reconciliation issue.


### 6.1.3. Monthly financial breakdowns in the 834

There can be situations where changes to consumers' circumstances result in a change in their monthly premiums. While changes that impact enrollments prospectively can be sent to issuers in each subsequent 834 transaction, retroactive changes that impact premiums are not readily communicated. Retroactive changes can include:

- Retroactive termination

- Retroactive changes to effective dates requires premiums to be recalculated for past coverage

- Retroactive changes to the effective date where the consumer's age changes because there is a birthday requires premiums to be recalculated

In order to facilitate reconciliation between issuers and the Exchange, the Exchange's system stores financial data (e.g., premiums, APTC, etc) in a monthly breakdown.

<u>Best practice recommendation for Issuers</u>

> Ingesting the custom 2750 loops in the 834 will facilitate reconciliation.

*Requirement*: Not required

*Rationale:* For the lifespan of the enrollment, the Exchange will send premium information in the 834 when the consumer either creates an enrollment or reports a change. The 834 contains custom loops that will inform issuers of the premium amounts at a monthly breakdown. While consumption of these custom loops is not required, if issuers are able to consume the data in these loops, it will facilitate reconciliation because each time issuers receive an updated 834, these custom loops will display the current monthly breakdown that reflects any retroactive recalculation that resulted from the consumer's change.


### 6.1.4. Premium proration where consumers have mid-month start or end dates

In the event that one or more enrollees have mid-month start (birth) or end dates (death) for coverage, the premiums for those months are calculated based on the following proration formula that is in use by numerous issuers, and is mandated by the Department of Insurance in many states.

<u>Best practice recommendation for Issuers</u>

> Please ensure that the proration formula to calculate premiums matches the one used by the Exchange.
>
> **Prorated Premium = (Whole Month Premium for Member / Days in the Month) X Days of Active Coverage for Member in the Month**
>
> Rounding of values is performed at the completion of the calculation and is rounded to two decimal places.

*Requirement*: Required

*Rationale*: When issuers and the Exchange system use the same calculation, it will eliminate data discrepancies due to calculation differences. Note that this proration formula is only applied to premiums reported in the 2750 loops in the 834. However, the 2300 loop at the subscriber and dependent levels will report the full month premiums and premium effective dates. This is because the 834 standard requires the full monthly premium to be transmitted via EDI, and does not allow for prorated amount to be sent.

### 6.1.5. APTC capping

It is possible for the APTC granted and elected by a consumer to exceed the gross premium of the selected policy. However, to permit a consumer's elected APTC to exceed the gross premium of the selected policy would result in a negative net premium - which cannot happen.

Best practice recommendation for Issuers

> Just be aware that the Exchange will cap the amount of APTC a consumer can elect to the amount of the gross premium.
>
> **Elected APTC ≤ Gross Premium**

*Requirement*: Information only

*Rationale*: In the event a consumer calls the issuer to ask about APTC, issuers will now know how to explain why the APTC amount is less than the amount the consumer elected.

### 6.1.6. Matching enrollments between the Exchange and issuers

The Exchange empowers consumers to make edits to their enrollments as their life circumstances require. For example, a household may add or remove dependents at any time, the subscriber may become ineligible to purchase coverage through the Exchange and therefore must be removed from the plan, the household may need to adjust current year coverage while also signing up for coverage for an upcoming year, etc. As consumers experience life, there needs to be a way to accurately identify which plan for a consumer or group of consumers must be updated.

Best practice recommendation for Issuers

> For all 834 transactions, issuers MUST send:
> - Subscriber member ID
> - Exchange assigned policy ID

*Requirement*: Required

*Rationale*: If issuers attempt to update enrollment data without sending the subscriber member ID and the Exchange assigned policy ID in the 834 to accompany the data update, the Exchange enrollment system will not be able to identify which enrollment to update and the 834 will be rejected.

## 6.2. Issuers to Exchange

There are enrollment level business rules which will ignore the data update attempt by the issuer even though the 834 may be successfully received. In this situation, there will be a discrepancy between the issuer and Exchange data that will need to be reconciled. Issuers should be aware of these restrictions.

### 6.2.1. Enrollment status change due to payment

Premium payments are a process conducted between the consumer and issuers directly; the Exchange plays no role in this transaction. Therefore, issuers are the source of truth for data where payment or non-payment is the direct cause of a change.

#### 6.2.1.1. Confirmation Transactions

The Exchange offers consumers an option to terminate their enrollment at the end of the current month, the end of the next month, or the month of the month after next month (e.g., "future dated Term"). This means that an enrollment can be in Term state prior to issuers sending a confirmation to the Exchange. Because the Exchange uses the presence of a confirmation date as a flag for determining which enrollments must receive a 1095A form, it is imperative that issuers continue to send a confirmation upon receipt of payment, even if they have received a termination transaction from the Exchange. Failing to do so will result in reconciliation issues.

Best practice recommendation for Issuers

| Always send a confirmation transaction if the consumer pays the binder payment. |
| --- |

*Requirement*: Required

*Description*: Upon receipt of a confirmation transaction from the issuer to the Exchange, the Exchange's enrollment system will make the following changes to enrollments given a specific status:

| If the existing enrollment's status is... | Upon receipt of the transaction, the Exchange system will.... |
| --- | --- |
| Pending | <ul><li>Update the status to Confirm</li><li>Store the confirmation date</li></ul> |
| Confirm | <ul><li>Ignore the attempt to update the enrollment status (g.e., status stays as Confirm)</li><li>Not store the confirmation date of the second confirmation transaction</li></ul> |
| Term | <ul><li>Ignore the attempt to update the enrollment status (e.g., status stays as Term)</li><li>Update the confirmation date for the enrollment</li></ul> |
| Cancel | <ul><li>Ignore the attempt to update the enrollment status (g.e., status stays as Cancel)</li><li>Not store the confirmation date of attempt to confirm</li></ul> |

Issuers should also understand that the confirmation date stored by the Exchange's enrollment system (and therefore reconciliation system), is the date that the Exchange's enrollment system receives the transaction. The confirmation date that the Exchange's enrollment system stores is not the binder payment date.


6.2.1.2. Termination Transactions

The Exchange must structure 1095A forms to account for termination for non-payment. Because issuers are the source of truth for this type of data, the Exchange relies on the issuers to ensure information needed to format the 1095A form correctly are sent.

Best practice recommendation for Issuers

> Always send the termination reason as "non-payment" and the premium paid to date end (343 value in the 834) for termination for non-payment transactions.

*Requirement*: Required

*Description*: Upon receipt of a termination transaction from the issuer to the Exchange, the Exchange's enrollment system will make the following changes to enrollments given a specific status:

| If the existing enrollment's status is... | Upon receipt of the transaction, the Exchange system will.... |
| --- | --- |
| Pending | <ul><li>Update the status to Term</li></ul> |

| | |
|---|---|
| | • Update the reason as "non-payment"<br>• Update the premium paid to date end (343 value in the 834) |
| Confirm | • Update the status to Term<br>• Update the reason as "non-payment"<br>• Update the premium paid to date end (343 value in the 834) |
| Term | • Ignore the attempt to update the enrollment status (e.g., status stays as Term)<br>• Update the reason as "non-payment"<br>• Update the premium paid to date end (343 value in the 834) |
| Cancel | • Ignore the attempt to update the enrollment status (e.g., status stays as Cancel)<br>• Not store the reason as "non-payment"<br>• Not update the premium paid to date end (343 value in the 834) |

6.2.1.3. Cancel Transactions

The Exchange must know whether a 1095A form must be sent for an enrollment. By definition, cancelled enrollments are enrollments for which consumers never paid a premium, received APTC, or experienced a coverage period. Thus, 1095A forms are not sent for canceled enrollments. Because issuers are the source of truth for non-payment, the Exchange relies on issuers to report on any cancellations due to non-payment.

Best practice recommendation for Issuers

| |
|---|
| Always send the cancellation reason as "non-payment" for cancellation non-payment transactions. |

*Requirement*: Required

*Description*: Upon receipt of a cancellation transaction from the issuer to the Exchange, the Exchange's enrollment system will make the following changes to enrollments given a specific status:

| If the existing enrollment's status is... | Upon receipt of the transaction, the Exchange system will.... |
|---|---|
| Pending | • Update the status to Cancel<br>• Update the reason as "non-payment" |
| Confirm | • Update the status to Cancel<br>• Update the reason as "non-payment" |

| Term | <ul><li>Update the status to Cancel</li><li>Update the reason as "non-payment"</li></ul> |
|------|-------------------------------------------------------------------------------------------|
| Cancel | <ul><li>Ignore the attempt to update the enrollment status (e.g., status stays as Cancel)</li><li>Update the reason as "non-payment"</li></ul> |

### 6.2.2. Where consumer circumstance results in mid-month start or end dates

In the event that one or more enrollees have mid-month start (birth) or end dates (death) for coverage, the premiums for those months are calculated based on the following proration formula that is in use by numerous issuers, and is mandated by the Department of Insurance in many states.

Best practice recommendation for Issuers

> Please ensure that the proration formula to calculate premiums matches the one used by the Exchange.
>
> **Prorated Premium = (Whole Month Premium for Member / Days in the Month) X Days of Active Coverage for Member in the Month**
>
> Rounding of values is performed at the completion of the calculation and is rounded to two decimal places.

*Requirement*: Required

*Description*: When issuers and the Exchange system use the same calculation, it will eliminate data discrepancies due to calculation differences. Note that this proration formula is only applied to premiums reported in the 2750 loops in the 834. However, the 2700 loop at the subscriber and dependent levels will report the full month premiums and premium effective dates. This is because the 834 standard requires the full monthly premium to be transmitted via EDI, and does not allow for prorated amount to be sent.

# 7. Document Control

| Date | Document Version | Revision Description | Author |
|------|------------------|----------------------|--------|
| 03/20/2019 | R2019 | Initial Version | GI |

| Date | Version | Description | Author |
|---|---|---|---|
| 03/30/2019 | R2019a | MNsure feedback from 2019.04.24<br>● Fixed some typos<br>● Updated expected issuer response to prorated / capped APTC , CSR | GI |
| 5/31/2019 | R2019b | SSHIX & MNsure feedback from 2019.05.29<br>● Clarified the timing of running the comparison between the Exchange and the issuer RCNI file<br>● Clarified the mandatory fields in the RCNI file<br>● Clarified the matching logic between the Exchange and the Issuer RCNI file | GI |
| 7/1/2019 | R2019c | SSHIX feedback from 2019.06.28 | GI |
| 8/13/2019 | R2019d | SSHIX feedback to make generic some instances where the example was state specific | GI |
| 02/25/2020 | R2019f | Minor corrections in the document to indicate the ownership of fixes for discrepancies | GI |
| 3/27/2020 | R2019g | Residential and Mailing address update | GI |
| 5/6/2020 | R2019h | Modified total premium amount definition | GI |