

**From:** DHHS/CMS/OA/CCIIO/State Marketplace and Insurance Programs Group  
**To:** Office of Management and Budget  
**Re:** Requested Approval of Non-substantive Change to Notice of Action: State-based Marketplace Annual Reporting Tool (SMART) (OMB Control Number 0938-1244)  
**Date:** December 7, 2017

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## **Summary**

The Centers for Medicare & Medicaid Services (CMS), Center for Consumer Information and Insurance Oversight (CCIIO) is responsible for the oversight and monitoring of State-based Exchanges (SBEs) pursuant to 45 C.F.R. § 155.1200 (general program integrity and oversight responsibilities) and 45 C.F.R. § 155.1210 (maintenance of records). This final rule requires SBEs, including State-based Exchanges using the Federal Platform (SBE-FPs), to conduct a defined set of oversight activities, including external financial and programmatic audits, to track and monitor how it is meeting Affordable Care Act (ACA) program integrity standards. CCIIO utilizes the State-based Marketplace Annual Reporting Tool (SMART) to document SBE compliance with these regulatory requirements.

The SMART was originally approved by the Office of Management and Budget (OMB) on July 3, 2014, (OMB Control Number: 0938-11244) and subsequently approved without changes on May 5, 2016 and December 12, 2016. The SMART Information Collection Request (ICR) (201612-0938-013) was due to expire on July 31, 2017 and required a reinstatement request without changes to allow it to continue without interruptions. The reinstatement request was submitted in May 2017 and has gone through the two public comment periods but is still awaiting final approval from OMB.

Since implementation of the SMART, the State Marketplace and Insurance Programs Group (SMIPG) each year has and will continue to identify additional non-substantive changes to the SMART to better align it with the reporting requirements provided in the Program Integrity Final Rule Part II. Based on lessons learned, SMIPG also has amended the attestations in the SMART to provide additional clarification on the reporting requirements and oversight activities that states must carry out.

Based on our recent analysis, these amendments will not increase the burden to the respondents. As such, we are requesting that non-substantive changes for this package be approved and issued as part of the review currently underway with OMB by December 31, 2017. This will provide respondents with ample opportunity to prepare for the changes ahead of the April 1, 2018 reporting due date.

## **Changes**

CCIIO requests approval of non-substantive changes, including:

- 1) Removing the Performance Monitoring section; and splitting the Financial and Program Integrity sections into two (Financial and Programmatic Audit and Program Integrity).
- 2) Incorporating minor editorial changes to the Eligibility and Enrollment, Financial and Programmatic Audit, and Program Integrity sections.

## **Anticipated Burden Impact**

CCIO anticipates there will be no substantial increase in burden to SBEs based on these changes.

## SUMMARY SMART REQUIREMENTS

SMART SECTION	REQUIREMENT	CHANGE
<b>Eligibility and Enrollment</b>	<ul style="list-style-type: none"> <li>Eligibility and enrollment requirements were created to enhance transparency and ensure fairness for consumers. This section focuses on eligibility verifications, inconsistencies, and reporting requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Added list of components to “Annual Eligibility Redeterminations and Verification” attestation. Note: States previously included these components in their plans required for this attestation; this addition simply lists them out for more clarity.</li> <li>Added attestation on “Income Tax Return Filing Requirement.” This information was previously collected through the “Annual Eligibility Redeterminations and Verification” attestation.</li> <li>Combined attestations related to policy-level enrollment reports, the State-based Marketplace inbound file, and data enrollment reporting into one attestation “Administration of Advance Payments of the Premium Tax Credit.”</li> <li>Removed Single Streamlined Application attestation.</li> <li>Made minor editorial corrections.</li> </ul>
<b>Performance Monitoring Data</b>	<ul style="list-style-type: none"> <li>This set of standardized metrics ensures basic transparency and allows consistent cross-state comparisons.</li> </ul>	<ul style="list-style-type: none"> <li>Removed this section</li> <li>Transferred streamlined attestation to the Program Integrity section.</li> </ul>
<b>Financial and Programmatic Audit</b>	<ul style="list-style-type: none"> <li>Audit requirements were developed to ensure SBE accountability in all financial and programmatic activities, including accurate accounting of all activities, receipts, and expenditures; and compliance with the following 45 CFR 155 Subparts: Subpart C (General Functions of an Exchange, Subpart D (Eligibility Determinations for Exchange Participation and Insurance Affordability Programs), Subpart E (Enrollment in Qualified Health Plans), and Subpart K (Certification of Quality Health Plans).</li> </ul>	<ul style="list-style-type: none"> <li>Separated audit and program integrity attestations into two distinct sections.</li> <li>Made minor editorial corrections.</li> </ul>
<b>Program Integrity</b>	<ul style="list-style-type: none"> <li>Program integrity requirements were developed to ensure proper oversight of the SBEs, including</li> </ul>	<ul style="list-style-type: none"> <li>Added streamlined “Enrollment Indicator Metrics” attestation.</li> </ul>

	<p>policies and procedures related to oversight and monitoring, consumer assistance, and identifying and addressing incidences of fraud, waste, and abuse.</p>	<ul style="list-style-type: none"> <li>• Combined attestations related to the oversight and monitoring plan and fraud, waste, and abuse policies and procedures into one attestation, "Oversight and Monitoring, including Fraud, Waste, and Abuse Policies and Procedures." <ul style="list-style-type: none"> <li>➤ Requesting policies and procedures <u>only</u> if SBE has not provided previously or if policies and procedures contain significant changes.</li> </ul> </li> <li>• Made minor editorial corrections.</li> </ul>
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