

Response to Public Comments Received for CMS-10401

HHS received one comment from Health Alliance Plan of Michigan in the 60-day comment period for the revision of the Paperwork Reduction Act Submission: Standards Related to Reinsurance, Risk Corridors, Risk Adjustment, and Payment Appeals (CMS-10401/OMB Control Number 0938-1155).

Comment: Health Alliance Plan of Michigan recommends that the new data elements described in the Supporting Statement be implemented as “‘soft’ edits for the first year of implementation”, which they argue will “help to avoid potential enrollment rejections and the exclusion ‘aka, orphan status’ of enrollees who should be considered as part of the risk adjustment calculation”.

Response: While HHS appreciates the commenter’s request to implement a transitional period for the new data elements described in the PRA, the implementation timeline was previously addressed in the HHS Notice of Benefit and Payment Parameters for 2023 final rule (“2023 Payment Notice,” 87 FR 27208) and the HHS Notice of Benefit and Payment Parameters for 2024 final rule (“2024 Payment Notice,” 88 FR 25740). As a result of this comment, HHS provided more background information in the Supporting Statement on the implementation timeline of the six new data elements, as finalized in the 2023 Payment Notice and 2024 Payment Notice.

As described in the 2023 Payment Notice, beginning with the 2023 benefit year, issuers will be required to populate the ZIP Code and subsidy indicator fields as part of their EDGE data submissions. Issuers will also be required to populate the race, ethnicity, and Individual Coverage Health Reimbursement Arrangement (ICHRA) indicator fields. For the 2023 and 2024 benefit years, HHS adopted a transitional period for the race, ethnicity, and ICHRA indicator fields, during which time issuers will be required to populate these fields using available data sources. Then, beginning with the 2025 benefit year, issuers that do not have an existing source to populate these fields for particular enrollees will be required to make a good faith effort to collect and submit race, ethnicity, and ICHRA indicator data elements for these enrollees.

As described in the 2024 Payment Notice, HHS finalized the proposal to collect and extract a Qualified Small Employer Health Reimbursement Arrangement (QSEHRA) indicator. HHS also finalized the adoption of a transitional approach for collecting the QSEHRA indicator under which issuers will be required to populate this new QSEHRA indicator using data they already have or collect for the 2023 and 2024 benefit years. Then, beginning with the 2025 benefit year, issuers will be required to populate the field using available sources and, in the absence of an existing source to populate the QSEHRA indicator for particular enrollees, issuers will be required to make a good faith effort to ensure collection of this data element.

Beginning with the 2023 benefit year data submissions, issuers must submit the EDGE Enrollment File in the updated file format as provided by CMS, which includes the new data elements. Failure to submit Enrollment Files using the updated file format or failure to submit Enrollment Files in accordance with file ingest rules will result in rejection of enrollment records. The EDGE Enrollment File format and file submission rules will be updated in September 2023 to accommodate ingest of the new data elements.

CMS is providing issuers with flexibility to ensure that issuer's data is not inappropriately rejected and/or claims orphaned. For more technical information about the EDGE data submission requirements, please refer to the documentation published in the REGTAP document library (www.regtap.cms.gov).