

Appendix A - Changes to SMART including eligibility and enrollment, financial and programmatic audits, and program integrity.

1.1 Eligibility and Enrollment

The SMART includes revisions to the following eligibility and enrollment attestations: SSN, Citizenship, Lawful Presence, Incarceration Status, Household Income and Family Size, ESC, Inconsistency Resolution, PDM, Administration of APTC, and SEPs. The SMART also includes the addition attestations for Eligibility Application, Verification of Identity, and Standards for Web-Brokers and DE Entities. Regulations under 45 CFR §155.335 require that SBEs re-determine the eligibility of a qualified individual annually. The Exchange must conduct annual redeterminations using the SBE Redeterminations Template, which includes minor revisions to assess SBE compliance with updated regulations. Regulations under 45 CFR §155.340(i) require SBEs to report to HHS the methodology used to determine that APTC applied to an enrollee's monthly premium does not exceed the expected monthly premium tax credit (PTC) amount when the enrollee is enrolled in a policy for less than the full coverage month. SBEs must satisfy these requirements using the APTC Proration Methodology Template.

1.2 Financial and Programmatic Audit

The SMART includes revisions to improve the logic within SERVIS clarifying the process for submitting external financial audit, Annual Comprehensive Financial Report (ACFR), and internal controls reports for State Exchanges.

1.3 Program Integrity

The SMART includes minor clarifications to the scope of the State Exchange oversight and monitoring plan and fraud, waste, and abuse policies and procedures.

Table 13 – Summary SMART Requirements

SMART SECTION	REQUIREMENT	PROPOSED CHANGE
<p>Eligibility and Enrollment</p>	<p>CMS requires SBEs to report on regulatory compliance annually. SBEs attest to eligibility and enrollment policy and operational requirements. This section focuses on eligibility verifications, inconsistencies, eligibility redeterminations, and reporting requirements.</p>	<ul style="list-style-type: none"> • Add “Verification of Identity” attestation. • Add “Eligibility Application” Attestation. • Add “Inconsistency Verification” sub-attestation. • Add “Administration of APTC” sub-attestation and the corresponding requirement to submit the State Exchange APTC proration methodology. • Add “Standards for Web-Brokers and Direct Enrollment (DE) Entities” attestation. • Add “Incarceration” sub-attestation to collect any alternative data sources State Exchanges use for this verification. • Revise the “Social Security Number,” “Citizenship,” “Lawful Presence,” “Household Income and Size,” “Employer Sponsored Coverage,” “Periodic Data Matching,” and “Special Enrollment Period” attestations to collect additional information on SBE verification processes and align with regulatory changes, as applicable. • Revise SBE Redeterminations Template to align with updated federal regulations. • Add fields, as applicable, for State Exchanges to provide additional information or clarification for attestations of “No” or “Partial” to help federal reviewers understand potential areas of non-compliance.

SMART SECTION	REQUIREMENT	PROPOSED CHANGE
Financial and Programmatic Audit	<p>CMS developed audit requirements to ensure SBE and SBE-FP 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 (Exchange Functions in the Individual Market: Eligibility Determinations for Exchange Participation and Insurance Affordability Programs), Subpart E (Exchange Functions in the Individual Market: Enrollment in Qualified Health Plans) and Subpart K (Exchange Functions: Certification of Qualified Health Plans).</p>	<ul style="list-style-type: none"> • Revise language in “Financial Independent External Audit” to clarify to how State Exchanges submit their external financial audit, ACFR, and internal controls report. • Update language from Comprehensive Annual Financial Report (CAFR) to Annual Comprehensive Financial Report (ACFR). • Revise order of attestations to improve flow and user experience. • Add optional field for State Exchanges to provide additional information or clarification regarding their responses in this section of the SMART. (This was previously included in the Program Integrity section and is now separate and included in this section for improved flow and user experience). • Add fields, as applicable, for State Exchanges to provide additional information or clarification for attestations of “No” or “Partial” to help federal reviewers understand potential areas of non-compliance.
Program Integrity	<p>CMS developed Program Integrity requirements to ensure proper oversight of the SBEs, including 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"> • Add fields, as applicable, for State Exchanges to provide additional information or clarification for attestations of “No” or “Partial” to help federal reviewers understand areas of non-compliance.