



Consumer Complaints about Marketplace Enrollments



*Center for Consumer Information
and Insurance Oversight (CCIIO)
Center for Program Integrity (CPI)
Marketplace Integrity Team*

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Description of Complaints

The FFM Marketplace Call Center has received numerous calls from consumers who assert that they did not enroll in a Marketplace plan for 2016 and/or 2017, nor did they authorize anyone else to enroll them.

Consumers stated that they do not want or need these plans because:

- They had employer coverage.
- They were covered by Medicaid, Medicare, Disability, Veterans benefits or another program.
- They were covered by a spouse's or parents' plan.
- They did not want healthcare coverage through the Marketplace.

IRS Notifications

- Many of the complainants only learned that they had been enrolled in QHPs when notified by the IRS that their tax refunds would not be processed until they submitted Form 8962 to reconcile their Premium Tax Credit.
- The IRS has information from the FFM showing that the taxpayer had a Marketplace QHP and received APTC to cover the premium in whole or in part.
- Because contact information for consumers may not be correct, the 1095-As did not reach many of the enrollees.

FFM Data Check

FFM data shows that a large percentage of the policies these consumers were enrolled in had some similarities including:

- The enrollment was completed by an agent or broker.
- 100% APTC which covered premium payments, so the consumer did not have to make recurring payments.
- Data elements, especially contact information, were incorrect.
- Income was misstated to avoid a Medicaid determination and/or to maximize APTC determinations.

Unauthorized Enrollment Finder File (UEFF)

- Issuers will soon receive an Unauthorized Enrollment Finder File (UEFF) via EFT with information about enrollments related to consumer complaints received by the Call Center between February 1, 2017 and April 30, 2017. The complaints reference policies for plan years 2016 and 2017.
- The file has a date/time stamp of “**TPID.CMPLFL.D170731.T104522619.P**” where “TPID” is your organization’s trading partner identification number. Since the file requires manual review, you may need to move it out of the EFT folder into some other folder.

Unauthorized Enrollment Finder File (UEFF) continued

- A letter of instruction and a new UEFF manual (specifications document) will be emailed to affected issuers at the same time the file is sent.
- CMS asks that each issuer follow the instructions in the letter and manual to complete the required information on the UEFF and return the file to CMS **by August 21st** via EFT using the return code:
“TPID.MID.RESOFL.D170731.T071025123.P.IN”.

5 Criteria for Rescission

CMS has developed the following 5 criteria that, if true, would support a consumer's claim of an unauthorized enrollment.

1. The consumer affirmatively stated directly to the issuer or to CMS (e.g. through the FFM Call Center) that he/she did not enroll in the Marketplace, did not give authorization or consent to enrollment, and did not want the coverage;
2. The enrollment was completed by an agent or broker or an individual acting under the agent or broker's direction or control;
3. The consumer is receiving 100% APTC or, if not 100%, the portion of the premium that is the responsibility of the enrollee was not made in whole or in part resulting in the termination of the policy;

5 Criteria for Rescission continued

4. The issuer has had no contact from the enrollees such as calls to customer service, emails, letters or any other direct contact with the exception of communications from the enrollee stating that they did not know about or consent to the enrollment;
5. No claims have been filed for any of the enrollees on each policy.

5 Criteria for Rescission continued

- CMS stipulates that Criterion 1 is true in all cases since all of the cases in the UEFF came through the federal Call Center.
- If criteria 2 through 5 are marked “T” (true) in accordance with the instructions on page 5 of the “specifications document”, the policy can be rescinded and a “T” should be placed in the column headed “Issuer will Rescind.”
- If ANY of the criteria is NOT met an “F” (false) should be placed in the column headed “Issuer will Rescind.” A brief explanation should be included in the column titled “Notes.”
- Issuers should return the completed file to CMS by sending it to the CMS/CPI EFT Folder: **TPID.MID.RESOFL.D170731.To71025123.P.IN.** CMS requests that completed files be returned by **August 21, 2017.**

Federal Regulations on Rescissions

CMS is satisfied that any enrollment on the Unauthorized Enrollment Finder File that meets all five criteria may be rescinded.

- New regulations at 45 CFR 155.430(b)(2)(iii) specify that a Marketplace issuer may rescind an enrollee's coverage “...in accordance with §147.128 of this subchapter, after a QHP issuer demonstrates, to the reasonable satisfaction of the Exchange, if required by the Exchange, that the rescission is appropriate.”
- For each policy rescinded the issuer must comply with all of the notice requirements under 45 CFR 147.128(a)(1).
- Issuers that are rescinding coverage should send an **IC834 cancel transaction** to the FFM with a reason code of fraud (use the CANCEL code, not TERMINATION). Policies for plan years prior to 2016 cannot be cancelled via IC834, so an issuer will need to submit an ER&R Dispute, setting “Prior Year – End Date” to equal the start date of the 2015 or 2014 policy.

Thanks and Contacts

- CMS will continue to send finder files as new complaints are received.
- CCIIO and CPI appreciate your cooperation to protect the Marketplace and Marketplace consumers from misconduct and fraud.

If you have questions about the Unauthorized Enrollment Finder File, please email them to: MarketplaceIntegrity@cms.hhs.gov.

REMEMBER: All documents with PII must be encrypted or password protected. We cannot accept unsecured email containing PII.