



July 7, 2014

All Hands on Deck Needed to Help Consumers Resolve Inconsistencies

Starting in late July or early August, subsidies could be reduced or terminated for hundreds of thousands of consumers who enrolled in health coverage through www.healthcare.gov. To avoid having their subsidies go down or end, consumers must send in documents to verify their income and/or citizenship or immigration status. Navigators, certified application counselors and others helping consumers with eligibility and enrollment in states using the Federally Facilitated Marketplace (FFM) can play a critical role in ensuring that consumers can maintain their coverage.

Background

The FFM checks electronic data sources to confirm information that consumers provide in their Marketplace applications. When this data matching process cannot confirm the income and/or citizenship or immigration status a consumer entered on the application, the consumer can still enroll in coverage, and is given 90 days to follow-up and provide information to confirm eligibility. This 90-day period is often referred to as an “inconsistency period.” The FFM can extend the period when the consumer needs more time to follow-up.

The fact there is an inconsistency does not mean the consumer is not eligible; it just means additional checking has to take place to confirm eligibility and the amount of assistance the consumer should receive.

The notices of eligibility sent to consumers with “inconsistencies” informed them that they had to follow up and submit documents proving their income, social security numbers and/or citizenship or immigration status (some people were asked to submit proof for more than one of these factors).

People who did not enroll in coverage are also affected. Some consumers who are lawfully present in the United States, ineligible for Medicaid due to their immigration status, and have incomes below the poverty line never enrolled in Marketplace coverage because they were told that they could only enroll if they paid the full cost of premiums. If these individuals submit documents that verify their immigration status, they may be found eligible for subsidies and may be able to enroll in coverage through a special enrollment period.

Inconsistency Processing Is Now Ramping Up

Even though notices of inconsistencies have been going out since October, the FFM has been unable to clear the vast majority of cases until recently. The FFM is currently reaching out and encouraging consumers who have not already submitted documentation to do so. In addition, consumers who already responded may be asked for additional documents. In some cases, the FFM has matched the documents sent by consumers to their electronic application files (called accounts), but additional documents are needed. In other cases, documents sent by consumers have not been matched to their accounts, and consumers have to resend their documents.

How Consumers Are Being Notified

The FFM recently began sending reminder notices to consumers who have unresolved inconsistencies. The notices tell consumers they must provide documents within 30 days. The FFM is sending mail notices to everyone. Consumers who indicated a preference for e-mail communication will also receive an e-mail

notices. The FFM has also been using automated telephone recordings to alert consumers that they need to follow up, and in early July, the representatives of the FFM will start calling consumers who still have unresolved inconsistencies.

What Will Happen If Inconsistencies Are Not Resolved

The FFM will terminate subsidies for consumers whose citizenship or immigration status inconsistencies are not resolved.

Consumers with income inconsistencies will either have their subsidies terminated, or see their subsidies decrease. What happens will depend on whether the FFM has information from the consumer's 2012 tax return. Income inconsistencies usually occurred when consumers attested to annual income for 2014 that is considerably lower than the income on their 2012 tax return, or when no 2012 tax return was filed. In these situations, the FFM provides subsidies based on the income consumers say they expect to receive in 2014 and asks for additional information to verify the consumer's income. If the consumer does not send in additional information and the consumer filed taxes in 2012, the FFM will use income from the 2012 tax return to set new levels for premium tax credit eligibility. This means consumers will likely see a decrease in their subsidies and their share of the premium costs will go up. They also may see a change in their eligibility for cost sharing reductions. If the Marketplace does not have 2012 tax information for the household or if the income on the 2012 tax return is above 400 percent or below 100 percent of the poverty line, subsidies will be terminated.

What Assisters and Outreach Groups Can Do

Everyone involved in providing outreach and enrollment assistance can help consumers respond to requests for additional information. In addition to reaching out to their networks to raise awareness about the importance of responding to notices from the FFM, groups can:

- Help consumers understand the information they need to send. The notices include information about what information needs to be sent, but they may be confusing for some consumers. The best way to see what information must be provided is by going to consumers' "my account" page on www.healthcare.gov. If consumers cannot log into their account they can contact the call center and ask them to read their eligibility notice. (Note that the call center does not have up to the minute information about documents received and processed by the processing center in London, Kentucky.)
- Provide information and assistance regarding inconsistencies in multiple languages. The FFM is only sending the inconsistency notices in English and Spanish.
- Help consumers upload information. Some consumers may not have the tools or may not know how to upload documents to their www.healthcare.gov accounts.
- If uploading documents is not an option, help consumers make copies of their documents and send them with the barcode page in their original notice to:

Health Insurance Marketplace
Attn: Supporting Documentation
465 Industrial Blvd.
London, Kentucky 40750

- If they don't have the barcode page from the original notice, they should write their name and application ID on any documents they mail.