

VERMONT HEALTH CONNECT

*AN UPDATE ON VERMONT'S INTEGRATED SYSTEM FOR
MEDICAID AND QHP ENROLLMENT*

HOUSE HEALTH CARE – APRIL 6, 2016

Overview

- System Work
- 1095
- Operational Metrics

SYSTEM WORK

System Work

- With major deployments behind us, Optum has shifted resources to improve three work streams:
 - **Medicaid Renewal** (optimize new functionality for enrollees already in system)
 - **Integration** (834/Evolution 1/ACCESS)
 - **Reconciliation**
- For each stream, take steps on:
 - Root cause analysis
 - Remediation of existing issues
 - Prevention of future incidents
- Initial work already showing results
 - On integration, root cause analysis has identified opportunities for defect fixes – scheduled for deployment on 4/6 and 4/20 – that will remediate existing issues and prevent future issues, including one that can cause a delay in the initiation of an 834 transaction.

1095

Tax Form 1095-A

Form **1095-A**

Health Insurance Marketplace Statement

VOID

OMB No. 1545-2232

Department of the Treasury
Internal Revenue Service

► Information about Form 1095-A and its separate instructions
is at www.irs.gov/form1095a.

CORRECTED

2015

Part I Recipient Information

1 Marketplace identifier	2 Marketplace-assigned policy number	3 Policy issuer's name		
4 Recipient's name		5 Recipient's SSN	6 Recipient's date of birth	
7 Recipient's spouse's name		8 Recipient's spouse's SSN	9 Recipient's spouse's date of birth	
10 Policy start date	11 Policy termination date	12 Street address (including apartment no.)		
13 City or town	14 State or province	15 Country and ZIP or foreign postal code		

Part II Covered Individuals

	A. Covered individual name	B. Covered individual SSN	C. Covered individual date of birth	D. Coverage start date	E. Coverage termination date
16					
17					

Part III Household Information

Month	A. Monthly Premium Amount	B. Monthly Premium Amount of Second Lowest Cost Silver Plan (SLCSP)	C. Monthly Advance Payment of Premium Tax Credit
21 January			
22 February			



Tax Form 1095-B

Form **1095-B**

Health Coverage

Department of the Treasury
Internal Revenue Service

► Information about Form 1095-B and its separate instructions is at www.irs.gov/form1095b.

VOID

OMB No. 1545-2252

CORRECTED

2015

Part I Responsible Individual

1 Name of responsible individual		2 Social security number (SSN)	3 Date of birth (if SSN is not available)
4 Street address (including apartment no.)	5 City or town	6 State or province	7 Country and ZIP or foreign postal code
8 Enter letter identifying Origin of the Policy (see instructions for codes): ► <input type="checkbox"/>		9 Small Business Health Options Program (SHOP) Marketplace identifier, if applicable	

Part II Employer Sponsored Coverage (see instructions)

10 Employer name			11 Employer identification number (EIN)
12 Street address (including room or suite no.)	13 City or town	14 State or province	15 Country and ZIP or foreign postal code

Part III Issuer or Other Coverage Provider (see instructions)

16 Name		17 Employer identification number (EIN)	18 Contact telephone number
19 Street address (including room or suite no.)	20 City or town	21 State or province	22 Country and ZIP or foreign postal code

Part IV Covered Individuals (Enter the information for each covered individual(s).)

(a) Name of covered individual(s)	(b) SSN	(c) DOB (if SSN is not available)	(d) Covered all 12 months	(e) Months of coverage											
				Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
23			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

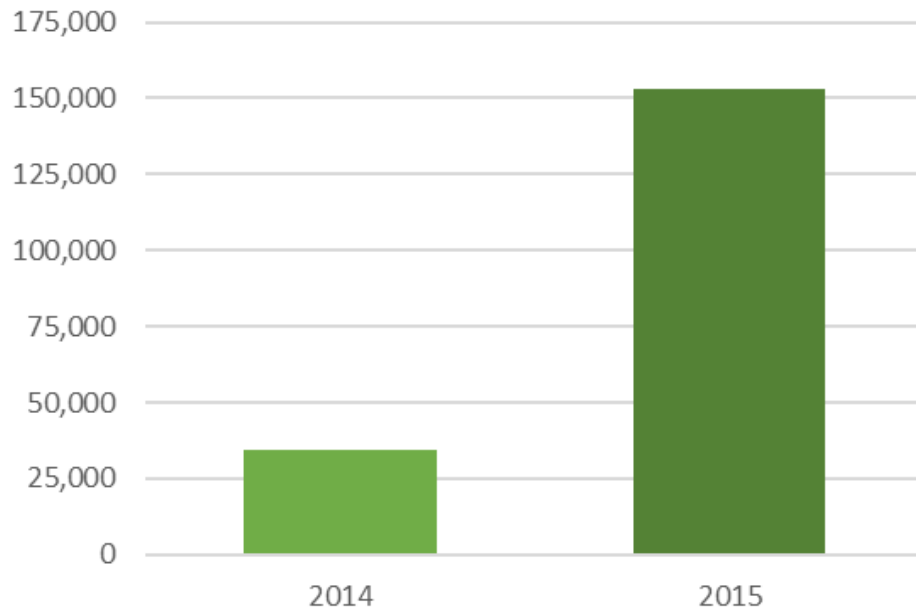


Find the plan that's right for you.

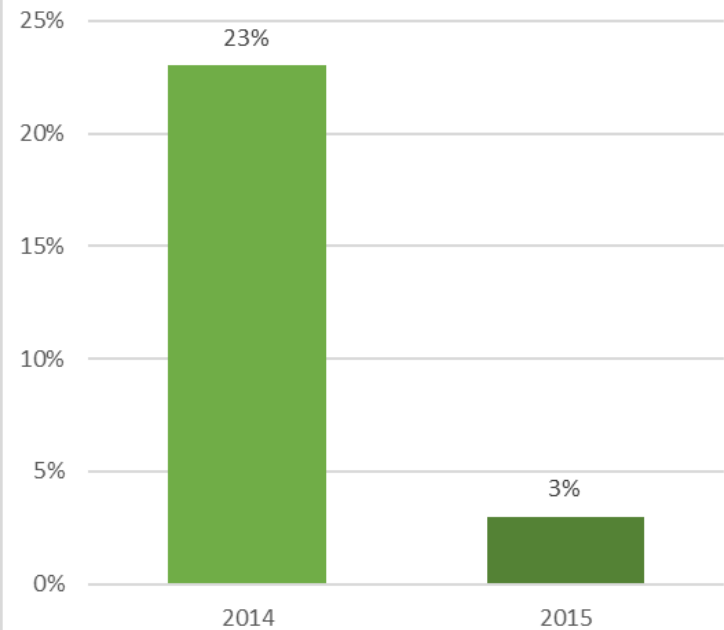
1095 Volume

450% increase in Initial 1095s mailed this year due to addition of Form 1095-B for Medicaid enrollees; nearly 40% decrease in corrected forms*

Initial 1095s Sent by Tax Year



Corrected 1095s Sent as Percentage of Initial 1095s



*Note: 1) 2015 numbers as of 4/5/16, some future increase can be expected, 2) Total numbers, of both Initial and Corrected forms, include multiple forms sent to the same household.

Reasons for Multiple Statements

- A family may receive multiple *initial* statements
 - Citizens who move from state to state could receive forms from each state
 - Non-dependent child will receive own statement, even if on parent's qualified health plan
 - Statements are attached to the QHP number, so each policy holder will receive a form
- 1095 cover letters explain these reasons

Reasons for Multiple Statements

- A family may also receive multiple *corrected* statements
 - System automatically generates a corrected forms when certain changes are made to 2015 status, regardless of whether that change is the final change.
- Example 1:
 - Customer pays overdue bill for December coverage. VHC mails corrected form indicating that customer had coverage in December.
- Example 2:
 - Dependent added to customer's account. VHC mails corrected form showing coverage.
 - Eligible subsidies and premium due are recalculated based on new household size, income, and coverage tier.
 - Customer pays adjusted bill. VHC mails second corrected form.

Reasons for Corrected Statements

In the vast majority (>99%) of cases, the 1095s are correct in the sense that they accurately reflect the data VHC has in its system.

- Three exceptions:
 - For 2014, approximately 150 initial forms were impacted by the way the rule governing the Second Lowest Cost Silver Plan (SLCSP) was programmed.
 - For 2015, 200 initial forms pulled mailing addresses associated with last year's 1095, rather than the updated address.
 - For 2015, 19 initial forms had source data issues that resulted in missing dependents.

Most corrected 1095s result from updates in the VHC system, which could result from an action on the part of customer (e.g. payment) or by VHC staff (e.g. reconciliation, QA reviews, work with carriers).

1095 Review Timing

- Wide range of time to review 1095 and, if warranted, make the account changes necessary to generate corrected 1095.
 - General guide is 2-4 weeks but much depends on the complexity of the steps involved.
 - For example, some cases involve moving Vermont Premium Assistance or other funds, processing changes of circumstance, confirming information with carriers, and/or working with Optum.
- There are currently 236 review requests that are in the queue or in process of review/correction.
- In addition, 50 corrected 1095-As have data that has become inconsistent and won't automatically trigger until data is resolved.
- Customers awaiting a review and/or corrected 1095 are receiving a call this week to inform them of their status and filing options.

Options for Late Filers

- The IRS and the Vermont Dept. of Taxes allow two options:
 - 1) Taxpayers may request an automatic filing extension;
 - 2) Taxpayers may file a return by the April 18th deadline and correct it later if they receive a corrected form.
- Taxpayers should contact the IRS or a tax preparer to learn more details and find out which option is best for them.
- Links to the extension requests forms can be found at:
<http://info.healthconnect.vermont.gov/taxes>
- Regarding questions of compensation, the legislature has not authorized spending to subsidize taxpayers who either don't take these options or otherwise incur tax liability.

Tax Information and Assistance

- Vermont Health Connect's "Filing Taxes" page:
(855) 899-9600 or <http://info.healthconnect.vermont.gov/taxes>
- Taxpayers Advocate Service
(802) 859-1052 or www.irs.gov/uac/Contact-a-Local-Taxpayer-Advocate
- Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE)
<http://www.irs.gov/Individuals/Free-Tax-Return-Preparation-for-You-by-Volunteers>
- Vermont Law Help, Office of the Healthcare Advocate:
(800) 917-7787 or www.vtlawhelp.org/health

- Or dial 2-1-1

Assisters and 1095s

- Vermont Health Connect's Navigators, Brokers, and Certified Application Counselors receive multiple communication around 1095 status but:
 - Are strictly instructed to not engage in activities that could be construed as tax advice – to instead refer to tax professionals and IRS;
 - Have limited insight into system and are therefore instructed to direct questions, and requests for review, to Customer Support Center.
- CMS rules have been strict in limiting tax engagement by Assisters, but may be changing for 2017 and beyond.
 - VHC plans to monitor federal changes and increase training and authorized activity for Vermont Assisters accordingly.

Outlook

- Improved system leads to improved and up-to-date data which leads to improved customer experience, including in terms of 1095 Forms
 - Improved integration and monthly reconciliation are key focal points
- Segment of Vermonters who have faced problems increasingly join the ranks of the majority of the 210,000 enrollees with smooth experience
- VHC and partners continue to build upon improvements of the last year

2015 vs. 2016

QHP Renewals

2015 – Processing completed in May

2016 – Processing completed in January

Medicaid Renewals

2015 – Legacy Medicaid renewals limited to pilot of 3,000 households

2016 – All 26,000+ legacy households contacted by March, VHC-system households set to begin in April

Change Requests

April 2015 – Change request inventory trending up to May high of 10,200

April 2015 – Change request inventory trending down from 3,800 to sustainable levels

Health Coverage

2015 – New enrollments indicate Vermont continues to drive down its low uninsured rate

2016 – New enrollments show increased influx of hard-to-reach “young invincibles”

OPERATIONAL METRICS

Operational Overview

- Customer Support Center
 - Maximus met Service Level Agreement (SLA) for March
 - Three-quarters (75%) of calls answered within 24 seconds
- COC and integration are trending in right direction
 - Net inventory of change requests <3,800
 - Inventory of known integration errors down 57% from March 1-31
- New Medicaid eligibility thresholds took effect last Friday (April 1)
 - Medicaid eligibility to follow 2016 Federal Poverty Level (FPL)
 - QHP subsidies stay with 2015 FPLs for calendar year (in accordance with federal rule)

Customer Support Center

Month	Calls Offered	Answer Rate	Calls Answered	Calls Answered <24 Sec	Transfer Rate
January 2016	42,769	83%	35,352	32%	10%
February 2016	45,043	81%	36,514	46%	9%
March 2016	41,661	93%	38,678	75%	11%

For context:

- SLA calls for answer rate of 60% of calls answered within 25 seconds.
 - Met SLA in March after missing first two months of the year.
 - Met SLA nine out of 12 months in 2015.
- Average wait time over the three months of 2016 Open Enrollment (Nov-Jan):
 - Vermont: 5min 3sec
 - Federal: 10min 30sec

Change Requests

- VHC receives ~125 change requests per day.
- A similar processing rate kept the net inventory just over 4,000 for much of early March, but it is again trending down.

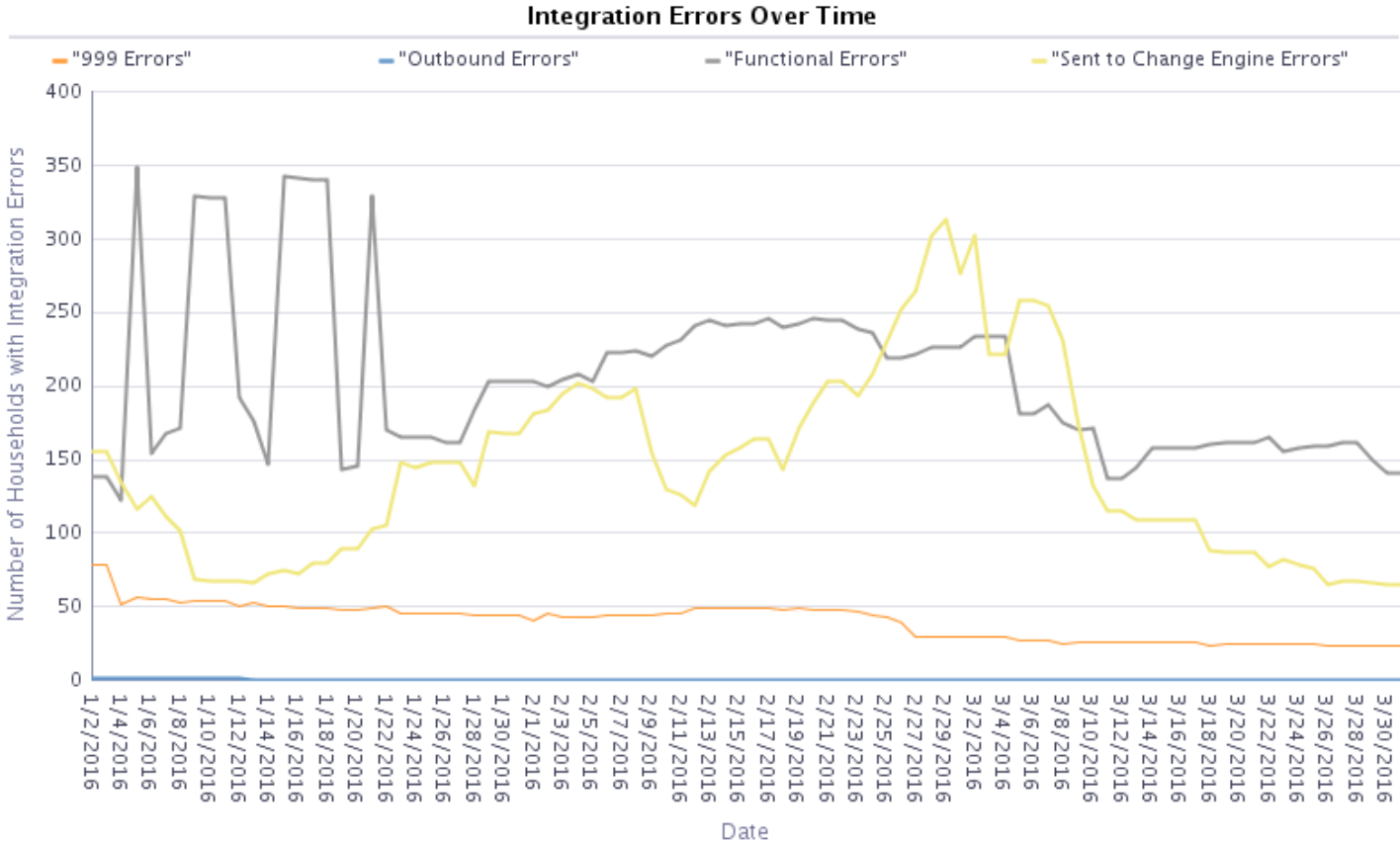
Net inventory:

- **5,577 on 2/1**
- **4,141 on 3/1**
- **3,780 on 4/1**
- **3,738 on 4/4**

Goal is to get work queue in 2,000 - 3,000 range, which would be a sustainable level for being able to meet prescribed customer service targets.

834 Transactions

- Inventory of known errors down 57% from March 1 – March 31



In addition to working to resolve these known errors, VHC and carriers continue to work together to make sure transactions are being initiated and integrated across systems as expected.