DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services Center for Consumer Information and Insurance Oversight 200 Independence Avenue SW Washington, DC 20201



Date: July 6, 2016

Subject: Alternative Schedule for Payment of Charges for Reconciliation of the Cost-sharing Reduction Portion of Advance Payments for the 2014 and 2015 Benefit Years Extension

On June 17, 2016, CMS released the Alternative Schedule for Payment of Charges for Reconciliation of the Cost-sharing Reduction Portion of Advance Payments for the 2014 and 2015 Benefit Years FAQ, available at: https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/CSRFAQ.pdf, which stated that CMS will consider providing flexibility on the payment schedule for reconciliation of the cost-sharing reduction component of advance payments to assist issuers with cash flow constraints, to ensure they may continue to provide coverage to enrollees through the end of the benefit year. To request such flexibility, an issuer was required to email CSRrepayment@cms.hhs.gov no later than 11:59 p.m. ET on Thursday, July 7, 2016.

We note that CMS clarified in the June 27, 2016 Alternative Schedule for Payment of Charges for Reconciliation of the Cost-sharing Reduction Portion of Advance Payments for the 2014 and 2015 Benefit Years FAQ, available at: https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/CSR-Repayment-Guidance-6-27-16.pdf the financial documentation and attestations that are required to be submitted with your request.

Finally, on July 1, 2016, CMS released a template of the payment agreement issuers would be required to sign if they request a payment plan and are deemed eligible based on their financials for such a payment plan. This agreement is available at:

https://www.cms.gov/CCIIO/Resources/Regulations-and-

<u>Guidance/Downloads/FT_CSRPaymentAgreement_071216_5CR_070116.pdf</u>. Although we are providing a two-day extension to request the payment plan flexibility, CMS will still require that issuers enter into this payment agreement no later than 11:59 p.m. ET on Tuesday, July 12, 2016.