2015 Carrier Reference Manual

March 2014
Version 1

Table of Contents

Appendices

Introduction

On March 23, 2010, the Patient Protection and Affordable Care Act (ACA) was signed into law. A key provision of the law requires all states to participate in an American Health Benefit Exchange beginning January 1, 2014. The District of Columbia declared its intention to establish a state -based health benefit exchange in 2011 with the introduction and enactment of the *Health Benefit Exchange Authority Establishment Act of 2011*, effective March 3, 2012 (D.C. Law 19-0094).

The *Health Benefit Exchange Authority Establishment Act of 2011* establishes the following core responsibilities for the Exchange:

(1) Enable individuals and small employers to find affordable and easier-to-understand health insurance;
(2) Facilitate the purchase and sale of qualified health plans;
(3) Assist small employers in facilitating the enrollment of their employees in qualified health plans;
(4) Reduce the number of uninsured;
(5) Provide a transparent marketplace for health benefit plans;
(6) Educate consumers; and
(7) Assist individuals and groups to access programs, premium assistance tax credits, and cost-sharing reductions.[1]

The DC Health Benefit Exchange Authority is responsible for the development and operation of all core Exchange functions including the following:

- Certification of Qualified Health Plans (QHPs) and Qualified Dental Plans (QDPs)
- Operation of a Small Business Health Options Program (SHOP)
- Consumer support for making coverage decisions
- Eligibility determinations for individuals and families
- Enrollment in QHPs
- Contracting with certified carriers
- Determination for exemptions from the individual mandate

The *Health Benefit Exchange Authority Establishment Act of 2011* allows the Executive Board of the DC Health Benefit Exchange Authority to adopt rules and policies. The adoption of rules and policies enables the Exchange to meet federal and District requirements and provides health carriers with information necessary to design and develop qualified health plans and qualified dental plans. This manual and appendices document the rules and policies that have been adopted by the Executive Board of the DC Health Benefit Exchange Authority to guide the initial

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[1] Sec.3, *Health Benefit Exchange Authority Establishment Act of 2011*

year of qualified health plan and qualified dental plan development and oversight. Health carriers offering coverage in the individual and small group markets are subject to these rules and policies, as well as all applicable federal and District laws. The standards in this manual do not apply to health insurance coverage considered to be a grandfathered health plan as defined in section 1251 of the ACA.

Carrier Participation

The DC Health Link is open to all health carriers and health benefit plans that meet the requirements set forth in Section 1301 of the ACA and by the DC Health Benefit Exchange Authority (the "Authority"). The Authority intends to contract with any licensed health carrier ("Carrier") that offers a health insurance plan that meets minimum requirements for certification as a qualified health plan (QHP) under federal and District law and Exchange requirements. Licensed health carriers include an accident and sickness insurance company, a health maintenance organization (HMO), a hospital and medical services corporation, a non-profit health service plan, a dental plan organization, a multistate plan, or any other entity providing a qualified health benefit plan.

Essential Health Benefits

Pursuant to HHS requirements, the District designated the Group Hospitalization and Medical Services, Inc. BluePreferred PPO Option 1 as the base-benchmark plan.[2] Pediatric vision and dental benefits in the Federal Employees Dental and Vision Insurance Program (FEDVIP) with the largest national enrollment have been defined as the pediatric vision and pediatric dental essential health benefits. Habilitative services have been defined as services that help a person keep, learn, or improve skills, and functioning for daily living, including, but not limited to, Applied Behavioral Analysis for the treatment of autism spectrum disorder.

The drug formulary of each Carrier offering a QHP must include the greater of:

1. One drug in each category and class of the United States Pharmacopieal Convention (USP), or
2. The number of drugs in each USP class and category in the Essential Health Benefits package.[3]

Further guidance on the EHB benchmark package, including an itemized list of required benefits, can be found on DISB's website (http://disb.dc.gov) or by clicking here.

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[2] "Patient Protection and Affordable Care Act; Standards Related to Essential Health Benefits, Actuarial Value, and Accreditation; Final Rule." 78 Federal Register 37 (25 February 2013). pp. 12834 – 12872.
[3] "Patient Protection and Affordable Care Act; Standards Related to Essential Health Benefits, Actuarial Value, and Accreditation; Final Rule." 78 Federal Register 37 (25 February 2013). pp. 12834 – 12872.

Rating Rules and Rate Review

Merged Risk Pool

The individual and small group market shall be merged into a single risk pool for rating purposes in the District. [4] The index rate must be developed by pooling individual and small group market experience at the licensed entity level. The merged risk pool does not change how Carriers may choose to offer plans in the individual or small group markets. For federal reporting purposes, Carriers shall use unmerged market standards.[5] Limited exceptions to the merged risk pool include student health plans, and grandfathered health plans. [6] Catastrophic plans must be developed by making plan level adjustments to the index rate.[7]

The index rate for federal reporting must be the same for individual and small group markets. However, filing for the small group can include a quarterly adjustment to the index rate as authorized by federal regulations. Due to limitations with federal systems, rates may only be submitted once per year for both markets.[8]

Carriers should follow the approach below to rate setting for QHPs in the merged risk pool:

Step 1: Determine the base period allowed cost PMPM by combining the small group and individual experience.

Step 2: Develop the Index Rate by projecting PMPM from the result of Step 1 and adjusting for the following items:

  (a) Trend (including cost, utilization, changes in provider mix, etc.)
  (b) Future population morbidity changes for the combined individual and small group markets (due to the impact of items such as guarantee issue, premium subsidies, impact of adjusted community rating, etc.)
  (c) Adding or removing benefits to arrive at the projected Essential Health Benefits (EHB) benchmark.

Step 3: Apply modifiers to the Index Rate separately for individual and small group:

  (a) Apply projected transitional reinsurance receipts and subtract/add expected individual risk adjustment receipts/payments to the Index Rate to use for individual insurance.

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[4] "Patient Protection and Affordable Care Act; Health Insurance Market Rules; Rate Review; Final Rule." 78 Federal Register 39 (27 February 2013). pp. 13406 – 13442.
[5] Id.
[6] Id.
[7] 45 CFR 156.80(d)(2)
[8] "Rate Changes for Small Group Market Plans and System Processing of Rates." Centers for Medicare and Medicaid Services Memorandum (April 8, 2013).

(b) Subtract/add expected small group risk adjustment receipts/payments to the Index Rate to use for small group insurance.

Step 4: Develop plan-specific rates from the results of Step 3 by adjusting for plan-specific modifiers.

Please note that transitional reinsurance receipts should be applied only to the individual market to be consistent with federal regulations.

Permissible Rating Factors

Rates may be adjusted for age and family composition. All other rate factors – including but not limited to gender, tobacco use, group size (small businesses), industry, health, and geographic rating within the District – are prohibited.

Carriers must use standardized age bands comprised of a single age band for children aged 0 to 20, one year age bands for adults 21 to 64, and a single age band for adults 64 and older. Age rating cannot vary by more than 3:1 between adults that are 21 and adults that are 64.[9] The Exchange will use an age curve developed by the Department of Insurance Securities and Banking (DISB). See Appendix A for more information about the age rating curve.

Rate Development and Review

The Department of Insurance Securities and Banking will review all rates including rates for DC Health Link products. DISB evaluates rates based on recent and future costs of medical care and prescription drugs, the company's financial strength, underwriting gains, and administrative costs. DISB also considers the company's overall profitability, investment income, surplus, and public comments. Companies must show that the requested rate is reasonable considering the plan's benefits, and overall rates must be projected to meet minimum medical loss ratio requirements. Health insurance rates must not be excessive, inadequate or unfairly discriminatory. In addition, proposed rates must reflect risk adjustment, reinsurance, and risk corridors. If the company's data does not fully support a requested rate, DISB will ask for more information, approve a lesser rate, or reject the requested rate increase.

The DC Health Benefit Exchange Authority, through consulting actuaries, will review proposed rate submissions for QHPs and provide input to DISB during the rate review process. The DC Authority will not negotiate rates with Carriers, but will accept DISB's approval of QHP rates. Additional information on the rate submission process and timeline is included below.

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[9] "Patient Protection and Affordable Care Act; Health Insurance Market Rules; Rate Review; Final Rule." 78 Federal Register 39 (27 February 2013). pp. 13406 – 13442.

Carrier Submission Process for QHPs

DC Health Link, in coordination with DISB, has set forth the following plan and timeline for QHP certification and re-certification for 2015.

Step 1: QHP Rate, Form Filings, and Carrier Certification
There are two categories of forms that Carriers must complete: Plan Rate & Form Filings and Carrier Certification. DISB will review and approve/disapprove forms and rates to ensure that QHPs meet District and federal exchange standards for rates and benefits. DISB will also review and approve/disapprove Carrier Certification submissions on behalf of DC Health Link.

All federal templates referenced below can be found at: http://www.serff.com/plan_management_data_templates.htm.

For plan year 2015 all required documents- including the Federal Plan & Benefits template and Federal Rate Table template- will be submitted through SERFF and passed via web service to the DC Health Link insurance marketplace.

Plan Form and Rate Filings and Certification Application for NEW QHP plans and products Deadline: May 15, 2014

Plan Form and Rate Filings and Certification Application for Recertification of Existing QHPs Deadline: June 15, 2014

DISB will publish initial rate filings for both new and recertified QHPs and QDPs on their website no later than June 20, 2014.

DISB will consider comments received on any rate filings during the review of the rates.

Form Filings: All Carriers must submit the following information in SERFF:

1. Federal Administrative Data Template – Collects general company and contact information.
2. DISB Required Form Submissions

Carrier Certification Application: All Carriers must submit the following information in SERFF:

1. Federal Essential Community Providers (ECPs) Template – Collects information identifying a carrier's network.
2. Federal Network Template – Collects information identifying a provider's network.
3. Federal Carrier NCQA Template OR Federal Carrier URAC Template – Accreditation status.

4. Federal Attestation Form- Federally required Program Attestations for State Based Exchanges.
5. Quality Improvement Plan- Existing Carrier Quality Improvement Plan (See Appendix Y)

Rate Filings: All Carriers must submit the following information in SERFF:

1. Federal Uniform Rate Review Template – Data for market-wide review.
2. DISB Actuarial Value Input Template – Collects plan actuarial value data (Available on SERFF).
3. DISB Rate Requirements – See Appendix C (Available on SERFF).

QHP Data for DC Health Link: All Carriers must submit the following information through SERFF to populate the DC Health Link insurance marketplace:

1. Federal Plan/Benefit Template
2. Federal Rate Data Templates
3. Federal Prescription Drug Template
4. Summaries of Benefits Covered (SBC) PDFs

Step 2: Notification to Carriers on Certification (by August 15, 2014)
DISB will notify Carriers of final Carrier certification and QHP certification.

DISB will publish final rates on their website no later than August 22, 2014.

Step 3: Contracting
The ACA requires exchanges to have contracts with Carriers offering QHPs. Consequently, Carriers that offer coverage through the DC Health Link will be required to enter into a contract with the DC Health Benefit Exchange Authority. A standard contract will be used. The DC Health Benefit Exchange Authority does not intend to negotiate contract terms with each Carrier individually. If any Carrier objects and strongly believes that contract negotiations must be conducted, then the Authority will reconsider the preliminary decision to streamline contracting with Carriers. A draft standard contract will be provided. There will be a 15 day period for feedback from Carriers. The terms and conditions of the contract will include requirements for health carriers to comply with federal and District laws and regulations, and DC Health Link rules and policies.

Carrier Submission Process for QDPs

QDP submissions will follow a similar process to that of QHPs. The DC Health Link intends to utilize Health Plan Management (HPM) templates developed by the District's vendor for the dental submission process.

The DC Health Benefit Exchange Authority, in coordination with DISB, has set forth the following timeline for QDP certification for 2015.

Step 1: Dental Plan Rate and Form Filings

Plan Form and Rate Filings and Certification Application for NEW QDP plans and products Deadline: May 15, 2014

Plan Form and Rate Filings and Certification Application for Recertification of Existing QDPs Deadline: June 15, 2014

DISB will review and approve/disapprove Dental plan submissions on behalf of the DC Health Link.

Plan Rate and Form Filings: All Carriers must submit the following information:

1. Federal Administrative Data Template
2. Federal Essential Community Providers (ECPs) Template – Collects information identifying a Carrier's network.
3. Federal Network Template – Collects information identifying a provider's network.
4. DISB Dental Rate and Form Requirements (See Appendix C)

Dental Carrier Certification Documentation: All Carriers must submit the following information through SERFF:

1. Federal Attestation Form – Federally required Program Attestations for State Based Exchanges.

Carrier Certification Communicated to Carrier: Carrier certification will be provided by August 15, 2014 from DISB on behalf of the Exchange.

Step 2: Final QDP Certification Submission (August 1, 2014-August 8, 2014)

QDP Data for DC Health Link: All Carriers must submit the following information through DC Health Link once Carrier certification is complete:

1. District HPM Dental Plan/Benefit Template
2. District HPM Rate Data Templates

Step 3: Notification to Dental Carriers on Certification (by August 15, 2014)
DISB will notify carriers of final Carrier and QDP certification.

DISB will publish final QDP rates on their website no later than August 22, 2014.

Step 4: Contracting
DC Health Benefit Exchange Authority will enter into contracts with Carriers offering stand-alone QDPs. A standard contract will be used. The DC Health Benefit Exchange Authority does not intend to negotiate contract terms with each Carrier individually. If any Carrier objects and strongly believes that contract negotiations must be conducted, then the Authority will reconsider the preliminary decision to streamline contracting with Carriers. A draft standard contract will be provided. There will be a 15 day period for feedback from Carriers. The terms and conditions of the contract will include requirements for Carriers to comply with federal and District laws and regulations, and DC Health Link rules and policies.

Additional Information & Requirements

Transparency

The ACA requires that all health plans and health insurance policies provide enrollees and applicants with a uniform summary of benefits and coverage (SBC). The SBC provides consumers consistent information about what health plans cover and what limits, exclusions, and cost-sharing apply. It must be written in plain language. At the outset, the final rule requires two illustrations of typical patient out-of-pocket costs for common medical events (routine maternity care and management of diabetes).   Carriers must provide the SBC as part of the qualified plan certification process for participation in DC Health Link. A SBC template and sample completed SBC are posted at http://cciio.cms.gov

Federal regulations implementing the ACA (45 CFR §156.220(d)) require Carriers to make available the amount of enrollee cost sharing under the individual's plan or coverage with respect to the furnishing of a specific item or service by a participating provider in a timely manner upon the request of the individual. At a minimum, such information must be made available to such individual through a web site and through other convenient means for individuals without access to the Internet.

ACA implementing regulations (45 CFR §156.220) require Carriers to also disclose other information that would help consumers understand how reliably each QHP reimburses claims for covered services, whether the provider network is adequate to assure access to covered services, and other practical information. The required information must be provided to DC Health Link, HHS and DISB in plain language that the intended audience, including individuals with limited English proficiency, can readily understand and use. DC Health Link will make accurate and timely disclosure to the public of the following information:

- Claims payment policies and practices
- Financial disclosures
- Information on enrollee rights
- Data on rating practices
- Data on enrollment/disenrollment
- Data on number of claims that are denied
- Information on cost-sharing and payments with respect to out-of-network coverage
- Upon request of an individual, information on cost-sharing with respect to a specific item/service

Quality Data

The ACA requires carriers to implement quality improvement strategies, enhance patient safety, and publicly report quality data for each of their QHPs. HHS has issued guidance indicating its intent to pursue a phased approach to quality reporting for all exchanges and QHP issuers. Other than expanding on accreditation standards, HHS has indicated that it does not intend to issue new quality reporting standards until 2016. It will be developing a federal quality rating system for Exchanges to use and will solicit public comments during the development process in 2014 and 2015. It is expected that QHP issuers will report data in mid-2016 for care provided in 2015. This rating system is expected to be functional in time for 2016 open enrollment for the 2017 coverage year.

In accordance with 45 CFR §156.275, DC Health Link will accept Carrier accreditation based on local performance of its QHPs by the two accrediting agencies currently recognized by HHS: the National Committee for Quality Assurance (NCQA) and URAC. Carriers that are not accredited at this time will be provided a grace period for accreditation, pursuant to 45 CFR § 155.1045 (Accreditation timeline for federally facilitated exchanges).

For DC Health Link in 2015, Carriers will be required to attest to meeting the federal quality standards. However, no quality data will be displayed on the web portal during open enrollment for 2014, the first year of DC Health Link operation. During 2015, DC Health Link will continue to collect information from Carriers on their existing quality improvement plans (QIPs). In future years, DC Health Link will issue guidance specifying format and content requirements for health plan submission of QIPs. DC Health Link will endeavor to coordinate with Maryland and Virginia to standardize QIP information collected from carriers across the tri-state area. Going forward, DC Health Link will work to coordinate with public and private payers and other stakeholders to update QIP requirements and public reporting thereof based on stakeholder input, continuing federal guidance and the District's public health priorities.

Provider Directory

Each Carrier must make its provider directory for a QHP available on its website. It must also make the directory available to DC Health Link for publication online and to enrollees or potential enrollees in hard copy upon request. The QHP provider directory must provide an up-to-date listing of providers and clearly designate providers that are not accepting new patients.

Marketing Guidelines

Carriers must comply with all applicable federal and District laws and regulations governing marketing of health benefit plans. Carriers must not employ marketing practices or benefit designs that will have the effect of discouraging the enrollment of individuals with significant health needs in QHPs.

Enrollment

Carriers must abide by DC Health Link enrollment periods and coverage effective dates consistent with District and federal laws and regulations. Carriers shall process enrollment in accordance with standards set forth in 45 CFR §156.265, applicable District laws and regulations and eligibility information supplied by DC Health Link. Carrier shall be responsible for notifying Enrollees of their coverage effective dates in accordance with 45 CFR §156.260. Carriers must provide each new enrollee with an enrollment information package that is written in plain language, accessible, and in compliance with the requirements of 45 CFR 155.220.

As required by 45 CFR §155.400, DC Health Link will accept QHP selections from applicants eligible for enrollment, notify Carriers of QHP selections, and transmit necessary eligibility and enrollment information promptly to Carriers and to HHS. On a monthly basis, Carriers will be required to acknowledge the receipt of enrollment information and to reconcile such information with DC Health Link and HHS.

Carriers and DC Health Link will observe the federal requirements for initial, annual, and special open enrollment periods established by HHS in 45 CFR §155.420. For the 2015 plan year, the open enrollment period will run from November 15, 2014 through February 15, 2015. Special enrollment periods must be provided for qualified individuals experiencing certain triggering events, which include: Loss of minimum essential coverage; Gain of a dependent due to marriage, birth, adoption or placement for adoption; Gain of citizen, national or lawfully present individual status; Enrollment/non-enrollment in QHP unintentionally, inadvertently, or erroneously due to error, misrepresentation, or inaction of exchange or HHS; Gain or loss of eligibility for premium tax credits or changes in eligibility for cost-sharing reductions; Access to new QHPs as a result of permanent move; or, Other exceptional circumstances, in accordance with guidance from HHS. Individuals generally will have 60 days from the triggering event to modify their QHP selection.

QHP Decertification

Pursuant to 45 CFR §1080, HBX may decertify any QHP that fails to meet the required certification standards or the requirements for recertification. Carriers will have the right to appeal decertification decisions through DISB.

The standards for decertification will be developed through the Plan Management Standing Advisory Committee

DC 2014 Age Scales		
Age	Current DC 2014	New Proposed 2014
0	0.727	0.654
21	0.727	0.727
22	0.727	0.727
23	0.727	0.727
24	0.727	0.727
25	0.727	0.727
26	0.727	0.727
27	0.727	0.727
28	0.727	0.744
29	0.727	0.760
30	0.727	0.779
31	0.727	0.799
32	0.727	0.817
33	0.746	0.836
34	0.775	0.856
35	0.805	0.876
36	0.836	0.896
37	0.869	0.916
38	0.903	0.927
39	0.938	0.938
40	0.975	0.975
41	1.013	1.013
42	1.053	1.053
43	1.094	1.094
44	1.137	1.137
45	1.181	1.181
46	1.227	1.227
47	1.275	1.275
48	1.325	1.325
49	1.377	1.377
50	1.431	1.431
51	1.487	1.487
52	1.545	1.545
53	1.605	1.605
54	1.668	1.668
55	1.733	1.733
56	1.801	1.801
57	1.871	1.871
58	1.944	1.944
59	2.020	2.020
60	2.099	2.099
61	2.181	2.181
62	2.181	2.181
63	2.181	2.181
999	2.181	2.181

Appendix B

Health Insurance Rate Filing Requirements

Health insurance rate filings should be submitted to DISB through SERFF and include the following information as pertinent to the nature of the purpose of the filing.

For dental carriers: Please respond to the following requirements in all product filings. If a requirement is not applicable, please indicate in response.

1) **Cover Letter (includes)**
   A. Company Name
   B. NAIC Company Code
   C. Marketing Name of Product(s)
   D. Date Filing Submitted
   E. Proposed Effective Date
      i. First effective date when quarterly trend increases are being filed for the small group market
   F. Type of Product
   G. Market (Individual or Small Group)
   H. Scope and Purpose of Filing
   I. Indication Whether Initial Filing or Rate Change
   J. Overall Premium Impact of Filing on DC Policyholders
   K. Contact information, Name, Telephone, E-mail

2) **For Renewal Filings, One Page Consumer Summary (includes)**
   A. Marketing Name of Company Issuing Product
   B. Marketing Name of Product
   C. Renewal Period for which Rates are Effective (Start and End Dates)
   D. Proposed Rate Increase/Decrease
   E. 5 Year History of Rate Increases/Decreases for this Product
   F. Justification for Rate Increase/Decrease in Plain Language

3) **Actuarial Memorandum (includes)**
   A. Description of Benefits
   B. Issue Age Range
   C. Marketing Method
      i. Describe the marketing method(s) used to inform consumers of the availability and details of the product(s)
      ii. Identify which, if any, products are marketed through an association
   D. Premium Basis

Appendix B

    i. Confirm member level rating will be used in the individual market

    ii. If composite rates are used in the small group market, describe the methodology that will be used to calculate composite rates from the total member based premium for the group

E. Nature of Rate Change and Proposed Rate/Methodology Change

    i. A brief description of how rates were determined

F. For Each Change, Indication if New or Modified

G. For Each Change Comparison to Status Quo

H. Summary of How Each Proposed Modification Differs from Corresponding Current/Approved Rate/Methodology

I. Annual Rate Change for DC Policyholders

    i. State the average rate change across the entire market to which the filing applies

    ii. State the average cumulative rate change over the prior 12 months in a manner consistent with the calculation of the threshold increase as defined by CCIIO

    iii. State the minimum and maximum rate adjustment that any policyholder will receive

    iv. A completed copy of the following chart, indicating the number of contracts and members that would receive rate and premium changes for each of the ranges indicated. A rate change reflects the impact of items which alter the underlying rate tables (e.g., trend, the impact of adjusted community rating, changes in covered benefits, changes in the average morbidity of the population, impact of new taxes and fees, etc.). A premium change reflects the items underlying a rate change plus any additional items that impact the premium paid by a given policyholder (e.g., aging, changes in plan cost sharing design).

	Rate Impact		Premium Impact	
	# of Contracts Impacted	# of Members Impacted	# of Contracts Impacted	# of Members Impacted
Reduction of 15% or more				
Reduction of 10.01% to 14.99%				
Reduction of 5.01% to 10.00%				
Reduction of 0.01% to 5.00%				
No Change				
Increase of 0.01% to 5.00%				
Increase of 5.01% to 10.00%				
Increase of 10.01% to 14.99%				
Increase of 15.00% or more				
Total				

Appendix B

J. Base Period Experience
   i. Confirm the base period experience represents all of the carrier's non-grandfathered individual and small group business in the DC market
   ii. State the dates of service represented by the base period claims experience, and the date through which payments were made on claims incurred during the base period
   iii. State the estimate included for claims incurred but not paid as of the paid through date
   iv. Demonstrate any adjustments made for large claim pooling, including claims pooled and the pooling charge added, if applicable

K. Projected Base Period Experience
   i. Demonstrate and support each adjustment made to the base period experience for:
      1. Removal of claims for services covered during the base period that are not an essential health benefit
      2. Addition of cost for services not covered during the base period that represent essential health benefits required to be covered during the projection period.
   ii. Describe and provide support for the development of each of the following projection factors applied to the base period:
      1. Medical and prescription drug trends including a description of the methodology used for calculating, data relied upon, and all adjustments made to the data (e.g., normalization factors) and quantitative support
         a. In addition to unit cost and utilization, the issuers must disclose if the following factors were utilized in their trend determination:
            i. Deductible leveraging
            ii. Benefit buy-down impact
            iii. Future/new benefits and/or mandates
            iv. Risk profile changes
            v. Aging of population (both utilization and mix of service changes)
            vi. Increased portion of pool from conversion policies
            vii. Changes in gender and other demographic characteristics
      2. Projected changes in the underlying demographics of the population anticipated to be insured in the merged individual and small group pool,

       including a description of the factors used to adjust the base period experience

3. Projected changes in the average morbidity of the population anticipated to be insured in the merged individual and small group pool, including but not limited to the separately identifying the impact of guaranteed issue, premium and cost sharing subsidies, a mandate that most individuals obtain coverage, pent-up demand, and termination of current high risk pools
4. The impact on utilization due to projected changes in average cost sharing in force across the merged individual and small group pool

L. Manual Rate Development

  i. Support for the appropriateness of the data used for developing the manual rate

  ii. A description of the methodology used and support for the development of the manual rate, if applicable

1. Source of data used as a basis for the manual rate
2. Support that the data used is fully credible
3. Demonstration that the underlying benefits represent the essential health benefit package for DC
4. Adjustments made to the data to reflect the carrier's provider contracts
5. Adjustments made to the data to reflect the demographics, benefits and morbidity of the merged individual and small group population anticipated to be covered during the projection period

  iii. Demonstration that any capitation payments were included

M. Credibility

  i. Describe the credibility methodology used and demonstrate it is consistent with standard actuarial practice

  ii. State and support the credibility level assigned to the projected base period experience

  iii. Provide adjustments made to the credibility calculation when the base period experience also represents a portion of the manual rate, in order to assign the appropriate level of credibility

N. Projected Index Rate

  i. Confirm the index rate represents the average allowed claim cost per member per month for coverage of essential health benefits for the market (individual or small group), prior to adjustment for payments and charges under the risk adjustment and transitional reinsurance programs, as defined by 45 CFR 156. 80(d)

ii. Indicate whether allowed or paid claims were used as a basis for developing the index rate. If paid claims were used, describe how they were adjusted to reflect the allowed claims which the index rate represents

iii. Demonstrate how the projected claims experience and the manual rate were combined to reflect the credibility blended experience, if applicable

iv. Demonstrate how the projected credibility blended merged individual and small group experience was adjusted to represent the average demographics and utilization (cost sharing induced only) of the market (individual or small group) which is the subject of this filing. Demonstrate that an adjustment for differences in anticipated morbidity between the individual and small group markets is not included

O. Market-wide Adjustments to the Index Rate

i. Support for the market-wide risk transfer payment/charge assumed, including the following support

1. A description of the data used for the calculation
2. A discussion of the methodology used
3. The assumed risk of the carrier's projected population for the market and the assumed risk of the market (individual or small group) statewide, and support for these assumptions.
4. The resulting risk transfer payment on a PMPM basis
5. Actual historical risk transfer payments PMPM for the last three years, once available

ii. Support for the market-wide adjustment for assessments and recoveries under the transitional reinsurance program

1. Demonstrate that the assessment is consistent with the amount published in the Annual Notice of Benefit and Payment Parameters
2. For the individual market, describe the data used to calculate the estimated recoveries, the methodology used to calculate the estimate, confirmation that the attachment point and claims limit used is consistent with that for the projection year as published by HHS, and the resulting estimated recovery on a PMPM basis

iii. The amount of any federal or DC Health Link user fees PMPM including, a demonstration of how they were calculated and that they were applied as an adjustment on a market-wide basis, if any

P. Plan Level Adjustments to the Index Rate

i. Adjustments to reflect the actuarial value and cost sharing design of each plan

1. Separately demonstrate the portion that reflects the paid-to-allowed ratio and the portion that reflects any expected differences in utilization due to differences in cost sharing
2. Describe the methodology used to estimate the adjustments

ii. Support for any differences at the plan level due to provider network, delivery system characteristics, and utilization management practices

iii. Support for additional costs added for benefits provided that are in addition to essential health benefits

iv. The expected impact of the specific eligibility categories for a catastrophic plan offered in the individual market, if applicable

Q. Non-Benefit Expenses
   i. Support for proposed non-benefit expenses included in the development of rates
      1. General administrative expenses
      2. Sales and marketing
      3. Commissions and broker fees
      4. Premium tax
      5. Other taxes, licenses and fees
      6. Quality improvement and fraud detection
      7. Other expenses
      8. Profit or contribution to surplus
      9. Any additional risk margin
   ii. Provide a comparison of current and proposed non-benefit expenses
   iii. Additional support if non-benefit expense loads do not represent the same PMPM or same percent of premium across all plans

R. Filed Loss Ratio
   i. State the anticipated traditional loss ratio (incurred claims divided by premium)
   ii. State the anticipated Federal Medical Loss Ratio (MLR)
      1. Do not include the adjustment for credibility outlined in 45 CFR 158.230 as the projected claims should represent the actuary's best estimate
      2. State the adjustments made to claims in the numerator and premium in the denominator

S. Actuarial Certification
   i. Identify the certifying actuary
   ii. Certification that the index rate is in compliance with 45 CFR 156.80(d)(1) and developed in compliance with applicable ASOPs
   iii. Certification that the index rate and only the allowable modifiers in 45 CFR 156.80(d)(1) and (2) were used to generate the plan level rates

iv. Certification that the standard AV calculator was used to develop the Metal AV except for any plans specified

v. Certification that the rates are reasonable in relation to the benefits provided, are not excessive, deficient nor unfairly discriminatory

vi. Certification that the rates comply with all applicable District of Columbia and Federal laws and regulations

T. District of Columbia Loss Ratio Analysis (Include Countrywide Loss Ratio Analysis separately, if applicable)

i. Evaluation Period (Experience Year, etc)

ii. Earned Premiums

iii. Claims

iv. Number of Claims

v. Loss Development Factors

vi. Loss Ratio Demonstrations

vii. Permissible Loss Ratio (includes)

1. Expenses
2. Profit & Contingency Provision

viii. Credibility Analysis (if applicable)

1. DC Credibility
2. Countrywide Credibility
3. Complimentary Credibility

ix. Determination of Overall Annual Rate Change

U. District of Columbia and Countrywide Experience

i. Earned Premium

ii. Number of Contracts/Policyholders

iii. History of Past Rate Changes

1. Include SERFF tracking numbers for all rate changes effective during the past 12 months

State-based Exchange Issuer Attestations: Statement of Detailed Attestation Responses

<u>Instructions:</u> Please review and respond **Yes** or **No** to each of the attestations below and sign the Statement of Detailed Attestation Responses document. CMS may accept a **No** response, along with a justification for any of these **No** responses, to any of the individual attestations identified in the Supplemental "Updated QHP Attestation Instructions" (https://www.regtap.info/). Please be sure to reference the specific attestation in your justification discussion. If the applicant is submitting the signed attestation document indicating **Yes** to all attestations, the justification document is not required.

Program Attestations

General Issuer Attestations

1. Applicant attests that it will have a license by the end of the certification period, be in good standing, and be authorized to offer each specific type of insurance coverage offered in each State in which the issuer offers a QHP.

> Yes   No

2. Applicant attests that it will be bound by 2 CFR 376 and that no individual or entity that is a part of the Applicant's organization is excluded by the Department of Health and Human Services Office of the Inspector General or by the General Services Administration. This attestation includes any member of the board of directors, key management or executive staff or major stockholder of the applicant and its affiliated companies, subsidiaries or subcontractors.

> Yes   No

3. Applicant attests that it will inform HHS, based on its best information, knowledge and belief, of any federal or state government current or pending legal actions, criminal or civil, convictions, administrative actions, investigations or matters subject to arbitration against the applicant (under a current or former name), its principals, or any of its subcontractors. The applicant also attests that, based on its best information, knowledge and belief, none of its principals, nor any of its affiliates is presently debarred, suspended, proposed for debarment, or declared ineligible to participate in Federal programs by HHS or another Federal agency under 2 CFR 180.970 or any other applicable statute or regulation, and should such actions occur, it will inform HHS within 5 working days of learning of such action.

> Yes   No

Benefit Design Attestation

1. Applicant attests that it will follow all Actuarial Value requirements.

> Yes   No

State-based Exchange Issuer Attestations:
Statement of Detailed Attestation Responses

Stand-Alone Dental Attestations

1. Applicant attests that it either offers no stand-alone dental plans, or that any stand-alone dental plans it offers will adhere to the standards set forth by HHS for the administration of advance payments of the premium tax credit.

    Yes   No

Financial Management Attestations

1. Applicant attests that it will acknowledge and agree to be bound by Federal statutes and requirements that govern Federal funds. Federal funds include, but are not limited to, advance payments of the premium tax credit, cost-sharing reductions, and Federal payments related to the risk adjustment, reinsurance, and risk corridor programs.

    Yes   No

2. Applicant attests that it will adhere to the risk corridor standards and requirements set by HHS as applicable for:

    a. risk corridor data standards and annual HHS notice of benefit and payment parameters for the calendar years 2014, 2015, and 2016 (45 CFR 153.510);

        Yes   No

    b. remit charges to HHS under the circumstances described in 45 CFR 153.510(c).

        Yes   No

3. Applicant attests that it will adhere to the standards set forth by HHS for the administration of advance payments of the premium tax credit and cost sharing reductions, including the provisions at 45 CFR 156.410, 156.425, 156.430, 156.440, 156.460, and 156.470.

    Yes   No

4. Applicant attests that it will reduce premiums on behalf of eligible individuals if the Exchange notifies the QHP Issuer that it will receive an APTC on behalf of that individual pursuant to §156.460.

    Yes   No

5. Applicant attests that it will adhere to the data standards and reporting for the CSR reconciliation process pursuant to 45 CFR 156.430(c) for QHPs.

    Yes   No

State-based Exchange Issuer Attestations:
Statement of Detailed Attestation Responses

6. The following applies to applicants participating in the risk adjustment and reinsurance programs inside and/or outside of the Exchange. Applicant attests that it will:

   a. adhere to the risk adjustment standards and requirements set by HHS in the annual HHS notice of benefit and payment parameters (45 CFR Subparts G and H);

      Yes   No

   b. remit charges to HHS under the circumstances described in 45 CFR 153.610;

      Yes   No

   c. adhere to the reinsurance standards and requirements set by HHS in the annual HHS notice of benefit and payment parameters (45 CFR 153.400, 153.405, 153.410, 153.420);

      Yes   No

   d. remit contributions to HHS under the circumstances described in 45 CFR 153.400;

      Yes   No

   e. establish dedicated and secure server environments to host enrollee claims, encounter, and enrollment information for the purpose of performing risk adjustment and reinsurance operations for all plans offered;

      Yes   No

   f. allow proper interface between the dedicated server environment and special, dedicated CMS resources that execute the risk adjustment and reinsurance operations;

      Yes   No

   g. ensure the transfer of timely, routine, and uniform data from local systems to the dedicated server environment using CMS-defined standards, including file formats and processing schedules;

      Yes   No

   h. comply with all information collection and reporting requirements approved through the Paperwork Reduction Act of 1995 and having a valid OMB control number for approved collections. The Issuer will submit all required information in a CMS-established manner and common data format;

      Yes   No

    i. cooperate with CMS, or its designee, through a process for establishing the server environment to implement these functions, including systems testing and operational readiness;

               Yes   No

    j. use sufficient security procedures to ensure that all data available electronically are authorized and protect all data from improper access, and ensure that the operations environment is restricted to only authorized users;

               Yes   No

    k. provide access to all original source documents and medical records related to the eligible organization's submissions, including the beneficiary's authorization and signature to CMS or CMS' designee, if requested, for audit;

               Yes   No

    l. retain all original source documentation and medical records pertaining to any such particular claims data for a period of at least 10 years;

               Yes   No

    m. be responsible for all data submitted to CMS by itself, its employees, or its agents and based on best knowledge, information, and belief, submit data that are accurate, complete, and truthful;

               Yes   No

    n. all information, in any form whatsoever, exchanged for risk adjustment shall be employed solely for the purposes of operating the premium stabilization programs and financial programs associated with state markets, including but not limited to, the calculation of user fees to fund such programs, oversight, and any validation and analysis that CMS determines necessary.

               Yes   No

7. The following attestation applies to applicants participating in the Exchanges and premium stabilization programs as defined in the Affordable Care Act and applicable regulations. Under the False Claims Act, 31 U.S.C. §§ 3729-3733, those who knowingly submit, or cause another person or entity to submit, false claims for payment of government funds are liable for three times the government's damages plus civil penalties of $5,500 to $11,000 per false claim. 18 U.S.C. 1001 authorizes criminal penalties against an individual who in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals, or covers up by any trick, scheme, or device, a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry. Individual offenders are subject to fines of up to $250,000 and imprisonment for up to 5 years. Offenders that are organizations are subject to fines up to $500,000. 18 U.S.C. 3571(d) also authorizes fines of up to twice the gross gain derived

by the offender if it is greater than the amount specifically authorized by the sentencing statute. Applicant acknowledges the False Claims Act, 31 U.S.C., §§ 3729-3733.

Yes   No

8. The following applies to applicants participating in the Exchanges and premium stabilization programs as defined in the Affordable Care Act and applicable regulations. Applicant attests to provide and promptly update when applicable changes occur in its Tax Identification Number (TIN) and associated legal entity name as registered with the Internal Revenue Service, financial institution account information, and any other information needed by CMS in order for the applicant to receive invoices, demand letters, and payments under the APTC, CSR, user fees, reinsurance, risk adjustment, and risk corridors programs, as well as, any reconciliations of the aforementioned programs.

Yes   No

9. The following applies to applicants participating in the Exchanges and premium stabilization programs as defined in the Affordable Care Act and applicable regulations. Applicant attests that it will develop, operate and maintain viable systems, processes, procedures and communication protocols to accept payment-related information submitted by CMS.

Yes   No

_____   _____

Signature   Date

_____   _____

Printed Name   Title/Position

State-based Exchange Issuer Attestations:
Statement of Detailed Attestation Responses

Attestation Justification

Provide a justification for any attestation for which you indicated **No**. Be sure to reference the specific attestation in your justification.

DCHBX Authority Executive Board Resolutions

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA
HEALTH BENEFIT EXCHANGE AUTHORITY

To establish the minimum employer contribution and minimum employee participation standards within the District of Columbia Small Business Health Options Program (SHOP) marketplace.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq.*) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, §5 of the Act (D.C. Official Code §31-3171.04(a)(2)) requires the Authority to establish a SHOP Exchange and §7 of the Act (D.C. Official Code §31-3171.06(a) & (b)) authorizes the Executive Board to take necessary lawful action to implement provisions of the Affordable Care Act of 2010 ("ACA") (P.L. 111-148 & P.L. 111-152);

WHEREAS, §1201 of the ACA made guaranteed renewability a requirement in the small group and individual marketplace (§2703 of the Public Health Service Act, 42 U.S.C. 300gg-2)), and made non-compliance with material plan provisions relating to participation or contribution rules an exception allowing non-renewal of group coverage (42 U.S.C. 300gg-2(b)(3));

WHEREAS, 45 C.F.R. §147.106(b)(3)(i) defines "employer contribution rule" as a requirement relating to the minimum level or amount of employer contribution toward the premium for enrollment of participants and beneficiaries;

WHEREAS, 45 C.F.R. §147.106(b)(3)(ii) defines "group participation rule" as a requirement relating to the minimum number of participants or beneficiaries that must be enrolled in relation to a specified percentage or number of eligible individuals or employees of an employer;

WHEREAS, 45 C.F.R. §§155.705(b)(10) & 156.285(e) permit SHOP Exchanges to restrict participating QHP issuers to a uniform group participation rule for the offering of health insurance coverage in the SHOP, with the caveat that such rate must be based on the rate of employee participation in the SHOP, not on the rate of employee participation in any particular QHP or QHPs of any particular issuer;

WHEREAS, minimum contribution and participation requirements do not apply to employers who enroll during an annual open enrollment;

WHEREAS, employers have broad flexibility in the amount and percentage they can choose to contribute to help pay for health insurance for their workers;

WHEREAS, on March 26, 2013, the Employer and Employee Choice Working Group presented a non-consensus recommendation, for referral to the Board's Insurance Working Committee, relating to minimum SHOP employer contribution and minimum SHOP employee participation; and

WHEREAS, on March 28, 2013, the Insurance Working Committee deliberated on the "employer contribution rule" and the "group participation rule", at a meeting open to the public, and approved a recommendation for Board consideration.

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the following recommendation presented by the Insurance Working Committee based on current market practices:

Minimum Contribution and Participation Requirements:

As a requirement to offer coverage through the SHOP Exchange, an issuer's 'minimum contribution rate' must be at 50% of the employee's individual reference plan premium and 'minimum participation rate' at 2/3 of qualified SHOP employees who do not waive coverage due to having coverage elsewhere.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**8th**___ day of _**April**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____

Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA
HEALTH BENEFIT EXCHANGE AUTHORITY

To prohibit tobacco use as a rating factor.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq*.) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, §7 of the Act (D.C. Official Code §31-3171.06(a) & (b)) authorizes the Executive Board to take necessary lawful action to implement provisions of the Affordable Care Act of 2010 ("ACA") (P.L. 111-148 & P.L. 111-152).

WHEREAS, §1201 of the ACA prescribed permissible rating factors in the small group and individual marketplaces (§2701 of the Public Health Service Act, 42 U.S.C. 300gg(a)(1)), and specifically limited rating variations based on tobacco use to no more than a ratio of 1.5:1;

WHEREAS, the U.S. Department of Health and Human Services has determined that the federal statute, and its own regulation, does not prevent states from prescribing a narrower ratio or from prohibiting the variation of rates based on tobacco use, or from having requirements for health insurance issuers that are more consumer protective than those under federal law (78 Fed. Reg. 13406, 13414 (Feb. 27, 2013) (interpreting the preemption and state flexibility rules at §2724 of the Public Health Service Act, 42 U.S.C. 300gg-23(a)(1));

WHEREAS, the Standing Advisory Board was asked for a recommendation on allowing use of tobacco rating factors in the individual and small group health insurance markets, as well as if allowed what permissible limits should be. After receiving public input and reviewing written reports, the Standing Advisory Board recommended to prohibit tobacco use as a rating factor in a vote of 6 to 2, with one abstention;

WHEREAS, current market practice in the District of Columbia is not to vary rates in the small group and individual marketplaces based on tobacco use;

WHEREAS, on April 4, 2013, the Insurance Working Committee deliberated on the topic of tobacco use as a rating factor, at a meeting open to the public, and approved a recommendation for Board consideration in a two to one vote to prohibit tobacco use as a rating factor; and

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the following recommendation presented by the majority of the Insurance Working Committee:

Rate Variations Based on Tobacco Use: Issuers may not vary rates based on tobacco use.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**8th**___ day of _**April**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____

Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA
HEALTH BENEFIT EXCHANGE AUTHORITY

To establish the range of plan selection choices, for plan year 2014, within the District of Columbia Small Business Health Options Program (SHOP) Exchange.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq.*) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, section 5 of the Act (D.C. Official Code §31-3171.04(a)(2)) requires the Authority to establish a SHOP Exchange and ensure that qualified employers are able to specify a level of coverage available to qualified employees;

WHEREAS, 45 C.F.R. §155.705(b)(3), as proposed in 78 Fed. Reg. 15553, 15557 (Mar. 11, 2013), provides state-based SHOP exchanges with broad discretion to establish plan selection choices for qualified SHOP employers in plan year 2014;

WHEREAS, on March 26, 2013, the Employer and Employee Choice Working Group presented a non-consensus recommendation, on employee choice models, that was referred to the Board's Insurance Working Committee for further consideration; and

WHEREAS, on March 28, 2013, the Insurance Working Committee deliberated on employee choice models, at a meeting open to the public, and approved a recommendation for Board consideration.

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the following recommendation presented by the Insurance Working Committee:

Employee Choice Models

The Exchange will offer qualified SHOP employers three options to pick from in establishing the range of QHPs qualified employees may enroll in:

- *Option 1*: *All Issuers & QHPs/One Tier* – all issuers and all Qualified Health Plans (QHPs) on one actuarial value (AV) metal level.

- *Option 2*: *One-issuer/two Metal Levels* – all the QHPs that one issuer offers on any two contiguous AV metal levels, if feasible and practicable. If not, then all AV metal levels.

- *Option 3*: *One-QHP* – a single QHP offered by a single issuer.

BE IT FURTHER RESOLVED that, after a reasonable time to collect valid data, the Authority shall conduct a market study, which must include, at a minimum:

- A survey of employees and employers examining their experience with employee choice options and employees' satisfaction with the range of health plan choices made available to them by their employer in the Exchange;
- An actuarial analysis of premiums;
- An examination of options to expand employee choice; and
- An evaluation of employers', carriers', and the Exchange's experience in administering employee choice.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**4th**___ day of _**April**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____

Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

DC Health Benefit
Exchange Authority

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA
HEALTH BENEFIT EXCHANGE AUTHORITY

To establish a premium rating and employer contribution approach within the District of Columbia Small Business Health Options Program (SHOP) marketplace.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq.*) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, §5 of the Act (D.C. Official Code §31-3171.04(a)(2)) requires the Authority to establish a SHOP Exchange and §7 of the Act (D.C. Official Code §31-3171.06(a) & (b)) authorizes the Executive Board to take necessary lawful action to implement provisions of the Affordable Care Act of 2010 ("ACA") (P.L. 111-148 & P.L. 111-152);

WHEREAS, §1201 of the ACA made premium fairness a requirement in the small group and individual marketplace (§2701 of the Public Health Service Act, 42 U.S.C. 300gg);

WHEREAS, 45 C.F.R. §147.102(c)(3) allows states to require composite premium rating in the small group market; and

WHEREAS, on March 26, 2013, the Employer and Employee Choice Working Group presented a consensus recommendation on a premium rating and employer contribution approach.

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the "Reallocated Composite Premium, with qualified SHOP employees paying the difference in list billing between the reference plan and the plan they select" method as the premium rating approach in the SHOP marketplace.   As recommended by the Employer and Employee Choice Working Group, this rating approach would operate as follows:

- Issuers receive list bill premiums.
    - The only exception to this may be with regard to mid-year census changes.
- Composite rates are calculated for all plans that employees of a group could select.
    - Rates for any one plan are calculated based on the assumption that all qualified employees of a group enroll in that plan.
- A reference Qualified Health Plan (QHP) and contribution amount is selected by the

employer.

- The employer pays the same dollar amount for each employee, regardless of age or plan selected by the employee.
- For employees who select the reference plan, their premium payments are the same dollar amount, regardless of age.
- In addition to the employee contribution for the reference plan, if an employee selects a plan other than the reference plan, the employee pays (or receives) the difference between the list bill of the selected plan and the list bill of the reference plan with employees paying the difference in list billing between the reference plan and the plan they select.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**4th**___ day of __**April**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____

Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

RESOLUTION OF THE EXECUTIVE BOARD
DISTRICT OF COLUMBIA
HEALTH BENEFIT EXCHANGE AUTHORITY

To establish further Essential Health Benefit standards and to establish additional Qualified Health Plan (QHP) certification standards to promote benefit standardization in the District of Columbia Health Benefit Exchange.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq.*) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, §1302(a) of the Affordable Care Act of 2010 (P.L. 111-148 & P.L. 111-152) requires the Qualified Health Plans certified by the District of Columbia Health Benefit Exchange provide a benefits package that meets or exceeds the Essential Health Benefit (EHB) benchmark;

WHEREAS, §1301(a)(1)(C)(ii) of the ACA requires QHP issuers to offer one silver-level and one gold-level plan at a minimum;

WHEREAS, 45 C.F.R. §155.1000(c) allows state exchanges to limit certification to those plans that it finds are in the best interest of qualified individuals and employers and 45 C.F.R. §156.200(d) allows state exchanges to require additional certification requirements beyond the federal minimums;

WHEREAS, §5 of the Act (D.C. Official Code §31-3171.04(a)(7)) authorizes the Authority to implement procedures for certification, recertification, and decertification of QHPs;

WHEREAS, the Executive Board received a series of non-consensus recommendations from the EHB Working Group on February 13, 2013 and from the Plan Offering and Qualified Health Plan Benefit Standardization Working Group on March 7, 2013,

WHEREAS, on March 7, 2013, the Executive Board referred these non-consensus recommendations to its Insurance Working Committee; and

WHEREAS, on March 19, 2013, the Insurance Working Committee deliberated on these recommendations at a meeting open to the public.

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the following recommendation from the Insurance Working Committee as part of the EHB standard in the District of Columbia:

1. DC's essential health benefit habilitative services category shall be defined as: Health care services that help a person keep, learn or improve skills and functioning for daily living, including, but not limited, to applied behavioral analysis (ABA) for the treatment of autism spectrum disorder.

BE IT FURTHER RESOLVED that the Board hereby approves the Insurance Working Committee's recommendations regarding additional certification standards for QHPs in the District of Columbia:

1. The Board recommends no limits on the number of QHPs. The Board asks DISB to monitor the number and diversity of plan offerings and to report back to the exchange on consumer choices and reports of satisfaction.

2. The Executive Board asks the Department of Insurance, Securities, and Banking (DISB) to apply the Federally Facilitated Exchange's "meaningful difference" standard, the elements of which are outlined in a letter from the Centers for Consumer Information and Insurance Oversight (CIIO) and the Centers for Medicare and Medicaid Services (CMS) to issuers dated March 1, 2013 (available at http://cciio.cms.gov/resources/files/issuer-letter-3-1-2013.pdf, see page 16), as a part of their certification of qualified health plans for the 2014 plan year. The Executive Board asks that the marketplace offerings continue to be monitored and the "meaningful difference" standard updated as needed to provide for meaningful consumer choices.

3. The Executive Board asks DISB to develop one or more standardized benefit plans (benefits and cost sharing) at the silver and gold metal level for the 2015 plan year and at the bronze and platinum metal level not later than the 2016 plan year based on input from consumers, employers, carriers, and based on early purchaser preferences. Carriers will be required to offer one or more standardized plans at each metal level in which the carrier is participating for plan years where there is a standardized plan in addition to other plans the carrier may offer.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this 22 day of March 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____
Khalid Pitts, Secretary/Treasurer
District of Columbia Health Benefits Exchange Authority

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA HEALTH BENEFIT EXCHANGE AUTHORITY

To establish a process for certification of Qualified Health Plan (QHP) Issuers in the District of Columbia Health Benefit Exchange.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq.*) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, §1311(c) of the Affordable Care Act of 2010 ("ACA") (P.L. 111-148 & P.L. 111-152) and 45 CFR Part 156, Subpart C establish minimum certification standards for Qualified Health Plans (QHPs) offering coverage on American Health Benefit Exchanges;

WHEREAS, §5 of the Act (D.C. Official Code §31-3171.04(a)(7)) authorizes the Authority to implement procedures for certification, recertification, and decertification of QHP issuers;

WHEREAS, the Executive Board established an Issuer Certification Process Workgroup, which included health insurance carriers, consumer advocates, and employers, to recommend a process for certifying insurance companies as QHP issuers; and

WHEREAS, the Issuer Certification Process Workgroup presented recommendations to the Board on March 7, 2013.

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the certification process consensus recommendations, as reflected in the Workgroup's February 28, 2013 report (as corrected – "recertification") (attached).

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**13th**___ day of _**March**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____
Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

DC Health Benefit
Exchange Authority

RESOLUTION

**EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA
HEALTH BENEFIT EXCHANGE AUTHORITY**

**RESOLUTION OF THE EXECUTIVE BOARD
DISTRICT OF COLUMBIA
HEALTH BENEFIT EXCHANGE AUTHORITY**

To establish a transition process for individual and small business health benefit plan enrollees into the District of Columbia Health Benefit Exchange ("Marketplace Exchange").

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq*.) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, §7 of the Act (D.C. Code §31-3171.06) authorizes the Executive Board to take actions necessary to carry out the functions necessary to establish an American Health Benefit Exchange;

WHEREAS, on October 3, 2012, the Executive Board voted unanimously to create one large marketplace for the sale of individual coverage and small group coverage to businesses with 50 or fewer employees. One big marketplace means all individual and small group coverage is sold through one distribution channel – the Exchange. This does not apply to grandfathered plans;

WHEREAS, the Executive Board directed the Executive Director to consult with a broad array of stakeholders – insurers, employers, producers, consumer and patient advocates, and providers – to identify the optimal way to move from the current market to this new marketplace and return with a recommendation to the Executive Board;

WHEREAS, in addition to consultations with stakeholders, the Executive Director requested that the Standing Advisory Board provide recommendations to the Executive Director on the transition considering a one and two year transition period;

WHEREAS, the Standing Advisory Board held three public meetings to consider options for a market transition with the support of Linda Blumberg, PhD, an economist and senior fellow with the Urban Institute, who provided valuable information on market competition and transition options as well as pros and cons associated with the options;

WHEREAS, the Standing Advisory Board accepted written and oral testimony from a variety of stakeholders, including insurance carriers, brokers, employers, and consumer/patient advocates; and

WHEREAS, the Executive Director adopted the recommendations of the Standing Advisory Board after a review of the work of the Standing Advisory Board, a review of materials including testimony, Dr. Blumberg's written materials prepared for the Standing Advisory Board, and the majority and minority reports provided by the Standing Advisory Board. The Executive Director's recommendations were presented to the Board on March 7, 2013.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the following as recommended by the Executive Director, based on the majority recommendations of the Standing Advisory Board:

- In the individual market, consumers should enter the Marketplace Exchange in CY2014.

- New entrants to the small group market should enter the Marketplace Exchange in CY2014.

- Currently insured small businesses wishing to change carriers or stay with their current carrier should transition into the Marketplace Exchange over a two-year period. In CY2015, renewals will be through the Exchange web portal.

- All plans sold outside of the Marketplace Exchange during the two-year transition period should be required to comply with all of the requirements applicable to coverage sold through the Marketplace Exchange.

- Beginning in 2016, the small group market will expand to include businesses with 51 to 100 employees. The addition of this market segment should be addressed in subsequent years (assuming there are no related amendments to the ACA).

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**13th**___ day of __**March**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____

Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA
HEALTH BENEFIT EXCHANGE AUTHORITY

To establish a process whereby Qualified Health Plan applying for certification by the District of Columbia Health Benefit Exchange will demonstrate compliance with network adequacy standards.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq*.) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, §1311(c)(1)(B) of the Affordable Care Act of 2010 (P.L. 111-148 & P.L. 111-152) and D.C. Official Code §31-3171.09(a)(6)(B) establishes network adequacy as a minimum certification standard for Qualified Health Plans (QHPs) offering coverage on the District of Columbia Health Benefit Exchange;

WHEREAS, 45 C.F.R. §155.1050 requires states to ensure all QHPs meet the minimum network adequacy standards specified in 45 C.F.R. §156.230, but also allows states to develop standards in a way that meets their own unique healthcare market;

WHEREAS, §5 of the Act (D.C. Official Code §31-3171.04(a)(7)) authorizes the Authority to implement procedures for certification, recertification, and decertification of QHPs;

WHEREAS, the Executive Board established a Network Adequacy Workgroup, composed of insurance carriers, small businesses, brokers, health care providers, and consumer advocates, to review existing network adequacy requirements and recommend any new standards/changes if necessary; and

WHEREAS, the Network Adequacy Workgroup presented recommendations to the Board on March 7, 2013.

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the network adequacy consensus recommendations, as reflected in the Workgroup's March 5, 2013 report (attached).

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**13th**___ day of _**March**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____
Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA
HEALTH BENEFIT EXCHANGE AUTHORITY

To establish premium collection standards and processes within the Individual Marketplace of the District of Columbia Health Benefit Exchange.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq*.) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, 45 C.F.R. §155.240(c) provides options to state exchanges, which includes the option of establishing a process to facilitate the collection and payment of premiums from individuals;

WHEREAS, the Executive Board established an Individual Premium Billing Workgroup, which included health insurance carriers, a broker, and consumer advocates, to assess the various options available to the Exchange and recommend a course of action with respect to premium billing for individuals;

WHEREAS, the Individual Billing Workgroup focused on four criteria for evaluating options and making a recommendation:

- The ability of the Exchange's selected vendor and carriers to implement billing systems in a timely manner;
- Providing the enrollee with a smooth, easy enrollment experience and good customer service;
- Strategic considerations related to ongoing communications with enrollees; and
- The cost of performing premium billing and collection.

WHEREAS, Individual Premium Billing Workgroup presented a summary of its work and

recommendations to the Board on March 7, 2013.

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the following consensus recommendations for individual (non-group) premium collection standards for QHPs in the District of Columbia:

(1) All billing and collection of payments for an individual's initial enrollment (or subsequently switching issuers) will be performed by the Exchange.

(2) The Exchange will then pass the first month's premiums and enrollee information to the issuer(s) for effective enrollment.

(3) After the first month's billing and payment are completed and the enrollment information is passed from the Exchange to the issuer(s), the responsibility for subsequent month's billing and collection functions pass to the respective Issuer of a Qualified Health Plan(s) selected by the household.

(4) The Exchange will develop policies and procedures to address billing and collections during future open enrollment periods; during enrollment periods a change in carrier would result in an initial billing from the Exchange while renewal with the same carrier would result in a continuation of billings from the existing carrier.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**13th**___ day of _**March**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____
Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA HEALTH BENEFIT EXCHANGE AUTHORITY

To establish additional Qualified Health Plan (QHP) certification standards to promote benefit standardization in the District of Columbia Health Benefit Exchange.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq*.) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, §1311(c)(1)(A) of the Affordable Care Act of 2010 ("ACA") (P.L. 111-148 & P.L. 111-152) establishes non-prejudicial benefit design as a minimum certification standard for Qualified Health Plans (QHPs) offering coverage on American Health Benefit Exchanges;

WHEREAS, §1301(a)(1)(C)(ii) of the ACA requires QHP issuers to offer one silver-level and one gold-level plan at a minimum;

WHEREAS, 45 C.F.R. §155.1000(c) allows state exchanges to limit certification to those plans that it finds are in the best interest of qualified individuals and employers and 45 C.F.R. §156.200(d) allows state exchanges to require additional certification requirements beyond the federal minimums;

WHEREAS, §5 of the Act (D.C. Official Code §31-3171.04(a)(7)) authorizes the Authority to implement procedures for certification, recertification, and decertification of QHPs;

WHEREAS, the Executive Board established a Benefit Standardization Workgroup, composed of health insurance carriers, small businesses, brokers, health care providers, benefit consultants, and consumer advocates, to make recommendations on additional plan offering and standardization options; and

WHEREAS, the Benefit Standardization Workgroup presented recommendations to the Board on March 7, 2013.

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the following consensus recommendations regarding additional certification standards for QHPs in the District of Columbia:

(1) QHP issuers should be allowed to add benefits, defined as services eligible for claims submission and reimbursement, in excess of the Essential Health Benefit (EHB) benchmark.

(2) QHP issuers must offer at least one bronze-level plan.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**13th**___ day of _**March**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____

Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA
HEALTH BENEFIT EXCHANGE AUTHORITY

To recommend further policy regarding the Essential Health Benefit (EHB) benchmark standard for the District of Columbia.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq*.) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, §1302(a) of the Affordable Care Act of 2010 (P.L. 111-148 & P.L. 111-152) requires the Qualified Health Plans certified by the District of Columbia Health Benefit Exchange provide a benefits package that meets or exceeds the Essential Health Benefit (EHB) benchmark;

WHEREAS, §7 of the Act (D.C. Code §31-3171.06) authorizes the Executive Board to take actions necessary to carry out the functions necessary to establish an American Health Benefit Exchange;

WHEREAS, the District of Columbia Department of Insurance, Securities, and Banking (DISB) selected the largest small group plan available in the District, BlueCross BlueShield CareFirst Blue Preferred PPO Option 1, as its EHB benchmark plan and the FEDVIP BlueVision plan and FEDVIP MetLife plan as supplementary standards for the pediatric vision and pediatric dental benefits respectively;

WHEREAS, the EHB Working Group was established with membership composed of patient and consumer advocacy groups, physicians and other providers, health insurers, insurance brokers, and many other stakeholders to review outstanding policy questions related to the EHB benchmark selection for the District of Columbia and make recommendations to the Executive Board, including questions of (1) parity with the mental health and substance abuse benefits, (2) drug formulary compliance with federal minimum standards, (3) substitution of benefits, and (4) definition of habilitative services;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the following consensus recommendations (brackets [] indicate word change due to reference to appendix in the Working Group's final report) for adoption as part of the EHB standard in the District of Columbia.

Behavioral Health (Mental Health and Substance Abuse):

Behavioral health inpatient and outpatient services be covered without day or visit limitations to the benefit.

Prescription Drug Formulary

The drug formulary of every issuer of qualified health plans include at least the number of drugs listed in each category [found in the benchmark plan's formulary and in compliance with the minimum number of drugs, by category, as established by the federal Center for Consumer Information and Insurance Oversight (CCIIO).]

Substitution of Comparable Benefits

Issuers not be allowed to substitute coverage of one [benefit] for another, at least for 2014.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**13th**___ day of _**February**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____
Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

CORPORATE ACTION OF THE EXECUTIVE BOARD

DISTRICT OF COLUMBIA

HEALTH BENEFIT EXCHANGE AUTHORITY

WHEREAS, over the past four weeks, the Health Benefit Exchange Insurance Working Committee has been meticulously reviewing the market recommendations proposed by the Insurance Subcommittee in April 2012. This included an in-depth review of the Mercer deliverables, supplemental materials, stakeholder comment, and consultation with District staff.

WHEREAS, the Insurance Subcommittee recommendations are listed below with DC Health Benefit Exchange Insurance Working Group actions listed after each:

1. Health insurance plans that meet minimum requirements set forth by the ACA for qualified health plans (QHPs) as well as any additional requirements set forth by the DC HBX Authority can be offered in the DC HBX insurance marketplace.
   - *The working committee supports this recommendation to preserve and expand current health insurance plan choices and presents it for formal consideration to the Executive Board.*

2. The DC HBX insurance marketplace should be the sole marketplace in the District of Columbia for the purchase of individual and small group health insurance plans.
   - *The working committee supports this recommendation to promote fair competition in the small group and individual health insurance markets and presents it for formal consideration to the Executive Board.*

3. The risk pools of the small group market and individual markets in the DC HX insurance marketplace should be merged into one single risk pool.
   - *The working committee supports this recommendation in recognition of the need to make quality, affordable health coverage seamlessly available to all District residents irrespective of employment status and presents it for formal consideration to the Executive Board.*

4. Small group size in the District of Columbia should be defined as 2-100 as opposed to the current practice of 2-50.
   - *The working committee amends this recommendation to maintain the current practice of defining small group as 2 to 50 as opposed to 2 to 100 and presents it for formal consideration to the Executive Board.*
     - *Along with this amendment is direction to the Insurance Subcommittee to research and analyze methods to regulate stop-loss insurance for self-funded plans.*

5. The District of Columbia should opt into the federal administered risk adjustment and reinsurance programs for the DC HBX insurance marketplace.
   - *The working committee supports this recommendation and presents it for formal consideration to the Executive Board.*

WHEREAS, the DC Health Benefit Exchange Insurance Working Group emphasizes that these recommendations, if adopted, will be implemented with the aid of a detailed work plan developed in conjunction with stakeholders and with final approval by the Exchange Board. In the course of developing such a work plan for implementing these recommendations, the DC Health Benefit Exchange working group strongly supports continued consultation with all interested parties to help ensure that these principles are adopted in a way that minimizes market disruption and enables a smooth transition for D.C. residents.

NOW, THEREFORE, BE IT RECORDED that the Board hereby adopts the HRIC insurance market recommendations endorsed by the Insurance Market Working Committee.

I HEREBY CERTIFY that the foregoing Corporate Action was adopted on the 3rd day of October, 2012, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____

Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

DC Health Benefit Exchange Dental Working Group Report

April 13, 2013

This report is submitted to the Health Benefit Exchange Authority by the Dental Plan Advisory Working Group Chair (Leighton Ku) and Co-Vice Chairs (Katherine Stocks and Anupama Rao Tate). The purpose of this report is to outline the recommendations of the Dental Plan Advisory Working Group regarding what stand-alone dental plan issuers will be required to submit the DC Health Benefit Exchange Authority (HBX) with respect to becoming certified to sell stand-alone dental plans covering the Essential Health Benefit pediatric dental benefits, and non-pediatric dental benefits if chosen by the issuer, through the HBX.

Background

For dental coverage beginning in 2014, individuals and small groups will be able to purchase coverage through exchanges, the purpose of which is to provide a competitive marketplace and facilitate comparison of dental plans based on price, coverage and other factors. Dental plan issuers must be certified as meeting minimum standards in order to participate in the exchange and issue qualified dental plans. In March of 2012, the U.S. Department of Health and Human Services issued a final (some parts interim final) rule on "Establishment of Exchanges and Qualified Health Plans; Exchange Standards for Employers." (45 CFR Parts 155, 156 and 157). The preamble to the rule and the rule itself provide detailed guidance to exchange operators on the federal standards with which the exchange and the issuers must comply, such as state licensure; benefit and product standards; rating, rate filing and rating disclosures; marketing; quality, network adequacy and accreditation; and other required processes, procedures and disclosures.

Dental Issuer Certification Process

Discussion
The working group was charged with coming to consensus on the process by which dental carriers become certified to offer dental plans in the DC HBX. To assist in its discussions and deliberations, the working group used a checklist approved by the Board for use with QHP issuer certification, modified as appropriate for stand-alone dental plans. That document is attached. (Attachment A)

Additional information provided to the Working Group was the narrative regarding Departments of Insurance (DOIs) across the states, including DC's Department of Insurance Securities and Banking (DISB), use of attestations of compliance with required standards, as recited in the QHP Issuer Certification Process Working Group report:

One of the ways departments of insurance (DOIs) across the nation operate is to use attestations (also known as certifications) of issuers that they are in compliance with the law. For example, company actuaries routinely certify that their rates are reasonable in relation to the premium charged and that they are not unfairly discriminatory. State DOIs, including DC's Department of Insurance Securities and Banking (DISB), accept these actuarial certifications. Similarly, issuers file annual financial statements and certify that they are correct. Again, state DOIs, including DISB, routinely accept these certifications.

DISB retains regulatory authority by acceptance of attestations, since it has full authority to enforce correction of an issuer error and impose any sanction, such as a fine, commensurate with the gravity of the error.

A significant portion of the working group's discussion recognized the fact that the DC HBX is in start-up mode, and time is of the essence in getting processes underway in order for plans to have qualified products and the HBX to be ready for the initial open enrollment period, which starts on October 1, 2013. Due to this very real time crunch, the bulk of the working group's recommendations are to accept issuer certifications of compliance with the various standards for first plan year. However, the working group also recognizes that operation of the HBX will be an evolving experience and in fact the HBX will have more data as the HBX grows and adds more enrollees. The working group recommends that the HBX Board revisit these standards prior to QHP recertification in the second plan year, since the HBX will have additional data and experience to evaluate whether regulator verifications based on prospective evidence or means of accreditation other than issuer certifications should be required for certain standards.

It is also important to note that under the federal regulation, exchanges have an obligation to monitor compliance with federal standards for QHP and issuer certification. As HBX gains experience, becomes fully staffed and gains enrollees, actions such as spot checks of issuer websites and other monitoring activities should increase.

Consensus Recommendation
The Working Group reached a consensus recommendation to follow the general certification process adopted by the Board for QHP issuers, with certain categories modified or deleted as appropriate to dental plans.

I – Licensed and in good standing

- The regulator will verify that the issuer has a certificate of authority to conduct insurance business in DC for health (or dental) insurance
- Attestations for the following will be accepted:
  - Service area
  - General attestation that QDP issuer has appropriate structure, staffing, management, etc. to administer QDP effectively and in conformance with federal requirements now and in the future

II – Benefit Standards and Product Offerings
III – Rate Filings, Standards and Disclosure Requirement
IV – Marketing

Attestations for all the standards in II, III and IV will be accepted.

V – Network Adequacy Requirements

Attestations for all the standards in V will be accepted.

VI– Applications and Notices
VII – Transparency Requirements
VIII– Enrollment Periods
IX– Enrollment Process for Qualified Individuals
X- Termination of Coverage of Qualified Individuals.
XI – Other Substantive Requirements

Attestations for all the standards in VI, VII, VIII, IX, X and XI will be accepted.

Non-Pediatric Dental Benefits

Discussion
The working group was charged with coming to consensus on the offering of non-pediatric dental benefits in QHPs and stand-alone plans.

The following are allowed EHB dental plans under DC law:

a. QHP that includes pediatric dental EHB (called "embedded")
b. Standalone dental plan that includes pediatric dental EHB (QDP)
c. QHP in conjunction with a QDP. In this case:
    i. The plans are priced separately
    ii. The plans are made available for purchase separately at the same price.

A QHP is not required to provide pediatric dental benefits if:

i.   There is at least one QDP available and

ii.   The carrier discloses there are no pediatric dental benefits in the plan and those benefits are available on the HBX.

The Secretary has expressly stated that stand-alone dental plans can offer additional benefits, including non-pediatric coverage. (Federal Register, Vol. 78, No. 37, Feb. 15, 2013, p. 12853). However, DC law does not require it.

Consensus Recommendation
The working group reached consensus recommendation that licensed District of Columbia issuers offering stand-alone pediatric dental plans may also offer non-pediatric dental benefits.

Reasonable Out-of-Pocket Maximums

Discussion
The Working Group was charged with coming to consensus on what a reasonable out-of-pocket maximum (OOP) (dollar amount) would be for a stand-alone pediatric dental plan. According to 45 CFR 156.150, the HBX must establish such a reasonable OOP. In a draft March 1 letter, the Center for Consumer Information and Insurance Oversight (CCIIO) stated that a $1,000 OOP would be considered reasonable (i.e. a safe harbor). However, it was not clear in the letter if that was per plan, or whether it could be applied to each child covered in the plan. Our neighbor jurisdiction, Maryland, has set the OOP at $1,000 if there is one child in the plan, and $2,000 if there are two or more children in the plan.

The dental issuers strongly support a $1,000 per child OOP and maintain that if it is less, premiums, deductibles and other cost-sharing will be higher. They maintain that at $1,000 per child, about 2% of children would reach the OOP. If the OOP were dropped to $500, then about 4% reach the OOP. One reason for the low percentages is that only medically necessary orthodontia is covered as an EHB, and according to the experts, the handicapping criteria to reach that threshold are extremely difficult. A pediatric dentist reported that children who reach the threshold have significant deformities.

Generally speaking, consumer advocates think a $1,000 per child OOP is too high, and even more so if there are several children in the plan. This creates a barrier to purchasing a plan because the pediatric dental benefit, although a required offer, is not a mandated purchase for childless adults and may result in less coverage. An actuarial study circulated by Milliman[1] that indicated the premium rise for a lower OOP was not significant (about $2-$3 to go from $1,000 to $270), but various parties disputed the age of the report and the assumptions used.

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[1] *Out of Pocket Maximum for Pediatric Dental and Orthodontia Benefit Plan to Prevent Catastrophic Dental Cost.* Milliman, November 5, 2012.

A working group member thought that CCIIO was going to revisit the $1,000 safe harbor, and a few working group members wanted to follow the federal safe harbor, whatever it turned out to be.

Non-Consensus Recommendation
The issue of the out-of-pocket maximum was discussed at both working group meetings, and the working group was unable to reach consensus on the OOP issue.

Subsequent to the working group meetings, on April 5, 2013, CCIIO released a revised letter that set the stand-alone dental OOP safe harbor at $700 per child, and $1,400 if there are two or more children covered by the plan.

Separate Pricing of Pediatric Dental Benefit Embedded in QHP

Discussion
The Working Group was charged with coming to consensus on whether an issuer offering QHP with the EHB pediatric dental benefit embedded in the plan should be required to display the cost of the pediatric dental benefit portion separately from the cost of the rest of the plan. The discussion of this issue showed that stand-alone dental plans and QHPs with an embedded have polar opposite views. Stand-alone dental plans insist they will be at a competitive disadvantage if the QHP is not required to separate out and display the pediatric EHB portion. QHP issuers are equally adamant that it is impossible to do since the pricing of the plan covers so many benefits and is spread among people who will never use the pediatric dental benefit. The Department of Insurance, Securities, and Banking also confirmed that separating the cost of dental benefits in these plans would not be feasible for comparison purposes.

Consensus Recommendation
In what can be considered a compromise, the working group reached consensus that a QHP should clearly label whether it does, or does not, include the pediatric dental EHB.

Working Group Members

The Dental Plan Advisory Working Group is comprised of representatives from dental plans, health plans and consumer advocates. Two meetings were held, on March 26 and April 2, 2013, both with in-person and conference call participation.

Leighton Ku	The George Washington University Center for Health Policy Research (DC HBX Board)
Katherine Stocks	The Goldblatt Group
Anupama Rao Tate	Children's National Medical Center
Mark Haraway	DentaQuest
Guy Rohling	UHC Dental

Jim Mullen, Kevin Wrege	Delta Dental
Louisa Tavakoli	Care First
Colin Reusch	Children's Dental Health Project
Amy Hall	DC resident
Tiffany	Kaiser Permanente
Jim Sefcik	Consultant
Mike Hickey	MetLife
Dean Rodgers	Dominion Dental
Jonathan Zuck	United Concordia
Meg Booth	CDHP
Claire McAndrew	Families USA

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA
HEALTH BENEFIT EXCHANGE AUTHORITY

To establish a reasonable out-of-pocket maximum for Qualified Dental Plans.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq.*) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, § 1311(d)(2)(B)(ii) of the Affordable Care Act of 2010 (P.L. 111-148 & P.L. 111-152) ("ACA"), 45 CFR § 155.1065, and § 5(b) of the Act (D.C. Official Code § 31-3171.04(b)) permit a health carrier to offer a limited scope dental benefit either separately or in conjunction with a Qualified Health Plan, if the plan provides essential pediatric dental benefits meeting the requirements of §1302(b)(1)(J) of the ACA;

WHEREAS, § 10(e) of the Act (D.C. Official Code § 31-3171.09(e)) applies the certification requirements of the Act to Qualified Dental Plans to the extent relevant and permits health carriers to jointly offer a comprehensive plan through the exchanges in which the dental benefits are provided by a health carrier through a Qualified Dental Plan and the other benefits are provided by a health carrier through a Qualified Health Plan; provided, that the plans are priced separately and are also made available for purchase separately at the same price;

WHEREAS, the Dental Plan Working Group, which included ten dental and health carriers, consumer groups, and a DC resident, met on April 2, 2013and reached consensus on three recommendations and did not reach consensus on one recommendation;

WHEREAS, on April 15, 2013, the Insurance Market Working Committee deliberated on the non-consensus recommendation regarding an out of pocket maximum for the pediatric dental essential health benefit in a stand-alone dental plan;

WHEREAS, 45 C.F.R. §156.150 requires a stand-alone dental plan covering the pediatric dental essential health benefit to demonstrate that it has a reasonable annual limitation on cost-sharing as determined by the Exchange;

WHEREAS, on April 5, 2013, the Centers for Medicare & Medicaid Services within the U.S. Department of Health and Human Services, issued a letter of guidance for federally facilitated and partnership exchanges defining a reasonable out-of-pocket maximum for the pediatric dental essential health benefit from 45 C.F.R. §156.150 as at or below $700 for a plan with one child enrollee or $1,400 for a plan with two or more child enrollees; and

WHEREAS, the Insurance Market Working Committee in a 3-0 vote recommends an out-of-pocket maximum that is not greater than $1000 for one child, increasing to $2000 for two or more children for the pediatric dental essential health benefit in Qualified Dental Plans.

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves an out-of-pocket maximum for Qualified Dental Plans that is not greater than $1000 for one child, increasing to $2000 for two or more children for the pediatric dental essential health benefit.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**18th**___ day of _**April**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____
Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA
HEALTH BENEFIT EXCHANGE AUTHORITY

To establish effective dates for eligibility redeterminations resulting from changes reported during the benefit year.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq.*) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, §5 of the Act (D.C. Official Code §31-3171.04(a)(1)) requires the Authority to establish an American Health Benefit Exchange for individuals and families and §7 of the Act (D.C. Official Code §31-3171.06(a) & (b)) authorizes the Executive Board to take necessary lawful action to implement provisions of the Affordable Care Act of 2010 ("ACA") (P.L. 111-148 & P.L. 111-152);

WHEREAS, 45 C.F.R. §155.330(f)(2) permits the Exchange to determine a reasonable point in a month after which an eligibility change captured through a redetermination will not be effective until the first day of the second month after the redetermination is made; and

WHEREAS, on April 17, 2013 the Eligibility, Enrollment, and Churn Working Group deliberated on this topic and reached a consensus recommendation.

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the following consensus recommendation presented by the Eligibility, Enrollment, and Churn Working Group:

For those individuals enrolled in a QHP who experience a change in eligibility during a benefit year, but who do not lose their eligibility for enrollment in a QHP, the District of Columbia Health Benefit Exchange will implement eligibility changes determined on or before the 15th day of the month to be effective the first day of the following month. For those eligibility

changes made on the 16th day or thereafter, the effective date of the change will be the first day of the second month following the date of the redetermination notice.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**9th**___ day of _**May**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____
Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA
HEALTH BENEFIT EXCHANGE AUTHORITY

To establish default termination rules for Individual Exchange marketplace enrollees who are determined eligible for Medicaid.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq.*) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, §5 of the Act (D.C. Official Code §31-3171.04(a)(1)) requires the Authority to establish an American Health Benefit Exchange ("Exchange") for individuals and families and §7 of the Act (D.C. Official Code §31-3171.06(a) & (b)) authorizes the Executive Board to take necessary lawful action to implement provisions of the Affordable Care Act of 2010 ("ACA") (P.L. 111-148 & P.L. 111-152);

WHEREAS, according to 26 U.S.C. §36B(c)(2)(B), individuals eligible for Minimum Essential Coverage are not eligible for the Advanced Premium Tax Credits used to lower premium costs for coverage in the Individual Exchange marketplace;

WHEREAS, according to 26 U.S.C. §5000A(f))(1)(A)(ii), Medicaid coverage is considered Minimum Essential Coverage;

WHEREAS, 45 C.F.R. §155.330(d)(ii) requires the Exchange to proactively and regularly monitor Medicaid eligibility determinations;

WHEREAS, the Authority is establishing a unified eligibility determination system in partnership with the Department of Health Care Finance (State Medicaid Agency) and will have knowledge of Medicaid eligibility determinations;

WHEREAS, Medicaid coverage in the District of Columbia offers a comprehensive benefit package at little or no cost-sharing for the enrollee; and

WHEREAS, on April 17, 2013 the Eligibility, Enrollment, and Churn Working Group deliberated regarding this situation and reached a consensus recommendation.

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the following consensus recommendation presented by the Eligibility, Enrollment, and Churn Working Group:

Default Termination of QHP Coverage Based on Medicaid Eligibility Determination:

The District of Columbia Health Benefit Exchange will terminate an enrollee's QHP enrollment upon notification of Medicaid eligibility with the effective date dependent on the date of the Medicaid eligibility determination. Determinations made on or before the 15th of the month would have a default termination effective the first day of the next month, determinations made after the 15th would have a default effective date of the first day of the second month following the determination. An individual can request to continue enrollment in their QHP, without any subsidies, before the scheduled default QHP termination date. Individuals will be advised of their default termination date in the redetermination notice sent following the Medicaid eligibility determination. Default terminations do not alter an individual's right to terminate under 45 C.F.R. §155.430.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**9th**___ day of __**May**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____
Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA HEALTH BENEFIT EXCHANGE AUTHORITY

To define "exceptional circumstances" permitting a Special Enrollment Period.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq.*) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, §5 of the Act (D.C. Official Code §31-3171.04(a)(1) & (9)) requires the Authority to establish an American Health Benefit Exchange for individuals and families, including the establishment of enrollment periods, and §7 of the Act (D.C. Official Code §31-3171.06(a) & (b)) authorizes the Executive Board to take necessary lawful action to implement provisions of the Affordable Care Act of 2010 ("ACA") (P.L. 111-148 & P.L. 111-152);

WHEREAS, 45 C.F.R. §155.420(d)(1) – (8) establishes a series of circumstances in which QHPs must permit qualified individuals to receive a 60-day special enrollment period (SEP) to enroll in the Individual Exchange marketplace outside an Open Enrollment Period;

WHEREAS, 45 C.F.R. §155.420(d)(9) permits the Exchange to define "exceptional circumstances" establishing additional SEPs; and

WHEREAS, on April 17, 2013, the Eligibility, Enrollment, and Churn Working Group deliberated on this topic and reached consensus recommendations to the Executive Board;

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the following consensus recommendations presented by the Eligibility, Enrollment, and Churn Working Group:

The District of Columbia Health Benefit Exchange will consider it an exceptional circumstance, permitting a new special enrollment period, when an applicant or enrollee does not select a plan during Initial Enrollment, Open Enrollment, or an SEP granted on other grounds, due to one of the following circumstances if the individual does not otherwise qualify for an SEP under the categories in 45 C.F.R. §155.420(d)(1) – (8):

1) Based on the individual's self-attestation, he/she is eligible for Medicaid but the eligibility determination is pending paper verification of an eligibility factor and the

individual is ultimately determined ineligible for Medicaid after the enrollment period has expired.   The first day of the SEP shall be the date of the notice of Medicaid ineligibility. This SEP would exclude Medicaid applicants who were denied due to their failure to timely provide the requested documentation.

2) An individual misses the Individual Exchange enrollment period while waiting for their employer to be approved for the SHOP. Under this scenario, an individual's employer applies to participate through SHOP during the individual open enrollment period and is ultimately denied due to not meeting minimum participation requirements. By the time the employee is notified that he/she cannot enroll through the SHOP, the individual's enrollment period has passed.

3) The individual's enrollment or non-enrollment in a QHP was unintentional, inadvertent, or erroneous and is the result of the error, misrepresentation, or inaction of an officer, employee, or agent of a QHP issuer, or its instrumentalities as evaluated and determined by the D.C. Department of Insurance, Securities, and Banking. In such cases, the Exchange may trigger the SEP and take such action as may be necessary to correct or eliminate the effects of such error, misrepresentation, or inaction.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**9th**___ day of _**May**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____

Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

DC Health Benefit
Exchange Authority

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA
HEALTH BENEFIT EXCHANGE AUTHORITY

To require Qualified Health Plan (QHP) issuers to establish polices that address transition of care for enrollees in the midst of active treatment at the time of transition into a QHP.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq.*) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, §5 of the Act (D.C. Official Code §31-3171.04(a)(1) & (19)) requires the Authority to establish an American Health Benefit Exchange for individuals and families and §7 of the Act (D.C. Official Code §31-3171.06(a) & (b)) authorizes the Executive Board to take necessary lawful action to implement provisions of the Affordable Care Act of 2010 ("ACA") (P.L. 111-148 & P.L. 111-152);

WHEREAS, there is a consensus among public health researchers that a substantial portion of individuals in the Individual Exchange marketplace will experience changes in eligibility during the benefit year causing them to move or "churn" between Medicaid, and coverage in a Qualified Health Plan (QHP);

WHEREAS, on April 17, 2013, the Eligibility, Enrollment, and Churn Working Group discussed strategies to address "churn" and developed consensus recommendations.

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the following consensus recommendations presented by the Eligibility, Enrollment, and Churn Working Group:

Establishment of Care Transition Plans by QHP Issuers:

QHPs in the District of Columbia Health Benefit Exchange shall implement policies that address transition care for enrollees in the midst of active treatment. Such policies must require that QHPs, upon request by the enrollee, allow non-participating providers to continue to provide health care services for the lesser of the remaining course of treatment or 90 days (except that such time limit is not applicable to maternity care). The transition policy shall be similar to that which was adopted by the Maryland Health Progress Act of 2013, as appropriate.

Counseling by In-Person Assisters and Brokers:

In-Person Assisters under contract with the District of Columbia Health Benefit Exchange shall counsel individuals about transition risk upon changes in program eligibility. The training available to In-Person Assisters and Brokers shall include information on risks associated with transitioning from one form of coverage to another during a course of active treatment.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**9th**___ day of _**May**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____
Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA HEALTH BENEFIT EXCHANGE AUTHORITY

To establish outreach strategies to promote tobacco cessation programs and other preventive benefits that are covered without cost sharing.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq.*) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, §5 of the Act (D.C. Official Code §31-3171.04(a)) requires the Authority to establish an American Health Benefit Exchange for individuals and families and a Small Business Health Options Program (SHOP) Exchange (collectively the District of Columbia Health Benefit Exchange or DC HBX) and maintain a publicly available website with information available to enrollees and prospective enrollees, and §7 of the Act (D.C. Official Code §31-3171.06(a) & (b)) authorizes the Executive Board to take necessary lawful action to implement provisions of the Affordable Care Act of 2010 ("ACA") (P.L. 111-148 & P.L. 111-152);

WHEREAS, on December 12, 2012, the Executive Board established the Plan Management Advisory Committee to advise on qualified health plan (QHP) requirements, dental plan requirements, certification processes, QHP enrollment, and other issues as requested by the Executive Board or Authority staff;

WHEREAS, on April 8, 2013, the Executive Board requested that an appropriate advisory committee provide recommendations to the Executive Board on approaches for promoting outreach to beneficiaries on tobacco cessation programs and other preventive benefits provided without any cost sharing; and

WHEREAS, that responsibility was assigned to the Plan Management Advisory Committee, which met on April 11 and 24, 2013 to review these issues and developed a series of consensus recommendations.

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the following recommendations presented by the Plan Management Advisory Committee to encourage the use of tobacco cessation programs and other preventive benefits by enrollees in the DC HBX:

1) As part of the general information on the DC HBX website, provide descriptive information on the ACA covered preventive services including tobacco cessation and, when feasible, link to carrier websites which describe the availability of their tobacco cessation/preventive benefits.

2) Recognizing that carriers now communicate with new enrollees, ensure that carriers include information about tobacco cessation and other preventive services in their new member communication. Note: this recommendation is not intended to duplicate existing communication or add to costs.

3) Recognizing that carriers now communicate with providers, ensure that carrier communications to their providers include up to date information on the preventive benefits and tobacco cessation programs to be provided with no cost sharing. Note: this recommendation is not intended to duplicate existing communication or add to costs.

4) As part of training for navigators, in-person assistors (IPAs), and certified application counselors (CACs), the DC HBX should provide descriptive materials on the availability of no cost preventive services including tobacco cessation for use in enrollment counseling sessions. These counselors should stress the importance of enrollees speaking directly with their carrier to obtain more information on these benefits.

5) Utilize alternative vehicles for communication, other than carriers, including providing educational materials to small business owners and benefit administrators on the availability of preventive services including tobacco cessation.

6) Maintain ongoing discussions with key stakeholder groups to identify additional opportunities to increase the use of preventive services including tobacco cessation. Stakeholder groups should include at least carriers, providers, and community organizations.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**9th**___ day of _**May**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____
Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

DC Health Benefit
Exchange Authority

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA
HEALTH BENEFIT EXCHANGE AUTHORITY

To establish an automatic enrollment policy for the Individual Exchange marketplace and to define "exceptional circumstances" permitting a Special Enrollment Period.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq.*) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, §5 of the Act (D.C. Official Code §31-3171.04(a)(1) & (9)) requires the Authority to establish an American Health Benefit Exchange for individuals and families, including the establishment of enrollment periods, and §7 of the Act (D.C. Official Code §31-3171.06(a) & (b)) authorizes the Executive Board to take necessary lawful action to implement provisions of the Affordable Care Act of 2010 ("ACA") (P.L. 111-148 & P.L. 111-152);

WHEREAS, 45 C.F.R. §155.410(g) enables the Exchange to enable individuals to be automatically enrolled into Qualified Health Plans(QHP), "subject to the Exchange demonstrating to HHS that it has good cause to perform such automatic enrollments."

WHEREAS, under 45 C.F.R. §155.335(j) an enrollee who remains eligible for coverage in a QHP upon annual redetermination will remain in the QHP selected the previous year unless such enrollee terminates coverage from such plan, including termination of coverage in connection with enrollment in a different QHP;

WHEREAS, 45 C.F.R. §155.420(d)(1) – (8) establishes a series of circumstances in which QHPs must permit qualified individuals to receive a 60-day special enrollment period (SEP) to enroll in the Individual Exchange marketplace outside an Open Enrollment Period;

WHEREAS, 45 C.F.R. §155.420(d)(9) permits the Exchange to define "exceptional circumstances" establishing additional SEPs;

WHEREAS, on April 17, 2013 the Eligibility, Enrollment, and Churn Working Group deliberated the issue and did not reach a consensus recommendation on the topic of auto-enrollment for existing enrollees whose plan was not going to be offered in the subsequent plan year. This non-consensus recommendation was referred to the Executive Board's IT Infrastructure and Eligibility Working Committee; and

WHEREAS, on May 3, 2013, the Executive Board's IT Infrastructure and Eligibility Working Committee discussed the topic of auto-enrollment for existing enrollees whose plan was not going to be offered in the subsequent plan year, and developed consensus recommendations for Executive Board consideration.

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the following recommendations presented by the Executive Board's IT Infrastructure and Eligibility Working Committee:

Auto-Enrollment in Similar Plan; Allow an Additional SEP:

The District of Columbia Health Benefit Exchange (DCHBX) will enable an individual to be automatically enrolled if he or she does not select a new plan, and does not terminate such coverage when their existing plan is no longer offered in a subsequent plan year, into a similar plan, if available. A similar plan is defined as same carrier, metal tier, and provider network.

Additionally, a new 60-day SEP is established. The triggering date is the effective date for the plan in which the individual has been automatically enrolled.   This provides the individual an additional opportunity to change plans.

No Auto-Enrollment if Similar Plan Not Available; Allow an Additional SEP to select new plan:

There is no automatic enrollment if there is no similar plan available.

Additionally, a new 60-day SEP is established. The triggering date is the first day coverage is terminated. This provides the individual an additional opportunity to select a new plan.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**9th**___ day of __**May**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____
Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

DC Health Benefit
Exchange Authority

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA
HEALTH BENEFIT EXCHANGE AUTHORITY

To allow a good faith extension of the period to resolve eligibility factor inconsistencies for eligibility or enrollment in the Individual Exchange marketplace

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq.*) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, §5 of the Act (D.C. Official Code §31-3171.04(a)(1)) requires the Authority to establish an American Health Benefit Exchange for individuals and families and §7 of the Act (D.C. Official Code §31-3171.06(a) & (b)) authorizes the Executive Board to take necessary lawful action to implement provisions of the Affordable Care Act of 2010 ("ACA") (P.L. 111-148 & P.L. 111-152);

WHEREAS, 45 C.F.R. §155.315(f)(3) allows Exchanges to extend the 90-day period provided to individuals to resolve inconsistencies regarding eligibility factors between data sources available to the Exchange and the individual's self-attestation when there has been a good faith effort; and

WHEREAS, on April 17, 2013, the Eligibility, Enrollment, and Churn Working Group deliberated the issue and reached a consensus recommendation;

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the following consensus recommendation presented by the Eligibility, Enrollment, and Churn Working Group:

Extension of Inconsistency Period for Good Cause:

Individuals who make a good faith effort shall be provided an additional 30 days, beyond the 90 days mandated in 45 C.F.R. §155.315(f)(2)(ii), to resolve any inconsistencies with Exchange

eligibility verification data sources. Good faith effort shall be defined as an individual requesting the additional 30 days from the Exchange either online, through the call center, in-person at a service center, or by mail.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**9th**___ day of _**May**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____
Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

RESOLUTION

EXECUTIVE BOARD OF THE DISTRICT OF COLUMBIA
HEALTH BENEFIT EXCHANGE AUTHORITY

To establish a strategy for the DC Health Benefit Exchange to improve the quality of care offered by Qualified Health Plans, including through quality reporting requirements.

WHEREAS, the Health Benefit Exchange Authority Establishment Act of 2011, effective March 4, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.01 *et seq*.) ("Act") created the District of Columbia Health Benefit Exchange Authority ("Authority"), an independent authority of the Government of the District of Columbia, and its governing Executive Board;

WHEREAS, § 1311(c), (g), and (h) of the Affordable Care Act of 2010 (P.L. 111-148 & P.L. 111-152) ("ACA") and § 5(a)(6) of the Act (D.C. Official Code § 31-3171.09(a)(6)) require the DC Health Benefit Exchange promote quality through quality improvement strategies, accreditation, and program investments by Qualified Health Plans and § 1001 of ACA which amends § 2717 (a) of the Public Health Services Act specifies quality reporting requirements to be used by Qualified Health Plans;

WHEREAS, on March 27, 2012, the Centers for Medicare & Medicaid Services within the U.S. Department of Health and Human Services, promulgated a final rulemaking requiring states to establish a timeframe and standards for the accreditation of a Qualified Health Plan based on quality standards (77 Fed. Reg. 59 (27 March 2012). pp. 18310 – 18475); and

WHEREAS the Centers for Medicare & Medicaid Services within the U.S. Department of Health and Human Services has stated in Guidance on State Partnership Exchange dated January 3, 2013 that CMS will issue future rulemaking on *"quality reporting requirements related to all QHP issuers (other than accreditation reporting) [that will] become a condition of QHP certification beginning in 2016 based on the 2015 coverage year; such regulatory proposals would be part of the implementation of Affordable Care Act sections 1311(c)(1)(E), 1311(c)(3), 1311(c)(4), 1311(g), and 1311(h). States may collect additional quality data (and collect data prior to 2016) directly from issuers or third party entities (such as accrediting entities) for use in applying the consumer interest standard of QHP certification under 45 CFR 155.1000, making*

QHP certification determinations, conducting QHP performance monitoring, and providing consumer education and outreach."

WHEREAS, on March 13, 2013, the Executive Board voted to adopt the recommendation of the Issuer Certification Process Working Group, which included Qualified Health Plan accreditation requirements and reporting of a quality improvement strategy for any plan not already accredited;

WHEREAS, during March and May 2013, the Quality Working Group, which included representatives from health plans, providers, small businesses, community and consumer advocates, brokers, and representatives from the Exchange Board and Standing Advisory Committee, met three times to discuss health plan quality improvement strategies and establish a strategy to improve the quality of care offered by Qualified Health Plans;

NOW, THEREFORE, BE IT RESOLVED that the Executive Board hereby approves the consensus recommendations regarding the quality improvement strategies and quality reporting activities of the District of Columbia Health Benefit Exchange Authority that are in the attached document titled "Quality Working Group Report" dated May 29, 2013.

I HEREBY CERTIFY that the foregoing Resolution was adopted on this ___**6th**___ day of _**June**____, 2013, by the Executive Board of the District of Columbia Health Benefit Exchange Authority in an open meeting.

_____   _____
Khalid Pitts, Secretary/Treasurer   Date
District of Columbia Health Benefits Exchange Authority

CARRIER INTEGRATION MANUAL

July 17, 2013

Version 1.0

Revision History

Date	Version	Changes	Author	Reviewed By
05/28/2013	0.1	Initial Draft	Apurva Chokshi	
07/17/2013	1.0	Draft, Reset document version to 1.0 to coordinate across all guides.	Sara Cormeny Dan Thomas	Saadi Mirza Yeshwanth Somashekhara David Sloand Gautham Palani Apurva Chokshi

Table of Contents

List of Tables

List of Figures

1   Introduction

1.1   Purpose and Scope

The purpose of this document is to provide Carriers with a comprehensive guide to the services offered by the District of Columbia Health Benefit Exchange (referred to as DC Exchange) that allow them to fully participate in the Exchange.

This document provides detailed information to the Carriers to help them leverage the functionality offered by DC Exchange, specifically in the area of electronic data exchanges. It describes the supported business processes, operational and technical integration requirements, testing processes, and certification requirements for the Carriers.

1.2   Background of DC Health Exchange

On March 23, 2010, the Patient Protection and Affordable Care Act was signed into law. A key provision of the law requires all states to participate in a Health Benefit Exchange beginning January 1, 2014. The District of Columbia declared its intention to establish a state based health benefit exchange in 2011 with the introduction and enactment of the Health Benefit Exchange Authority Establishment Act of 2011, effective March 3, 2012 (D.C. Law 19- 0094).

The Health Benefit Exchange Authority Establishment Act of 2011 establishes the following core responsibilities for the Exchange:

1. Enable individuals and small employers to find affordable and easier-to understand health insurance
2. Facilitate the purchase and sale of qualified health plans
3. Assist small employers in facilitating the enrollment of their employees in qualified health plans
4. Reduce the number of uninsured
5. Provide a transparent marketplace for health benefit plans
6. Educate consumers
7. Assist individuals and groups to access programs, premium assistance tax credits, and cost-sharing reductions

The DC Exchange is responsible for the development and operation of all core Exchange functions including the following:

1. Certification of Qualified Health Plans and Qualified Dental Plans
2. Operation of a Small Business Health Options Program
3. Consumer support for coverage decisions
4. Eligibility determinations for individuals and families
5. Enrollment in Qualified Health Plans
6. Contracting with certified carriers
7. Determination for exemptions from the individual mandate

1.3   Intended Audience

This document is written for business users, business analysts, system architects, EDI developers, network engineers and others who are involved in the integration program of Carrier systems with DC Exchange.

1.4   Trading Partner Agreement and Carrier Onboarding Reference Manual

A Trading Partner Agreement (TPA) is created between participants in EDI file exchanges. All trading partners who wish to exchange X12 **5010 EDI** transaction sets electronically to/from DC Exchange and receive corresponding EDI responses, must complete Trading Partner testing to ensure their systems and connectivity are working correctly before any production transactions can be processed.

DC Exchange will comply with the data encryption policy as outlined in the HIPAA Privacy and Security regulations regarding the need to encrypt health information and other confidential data. All data within a transaction that are included in the HIPAA definition of Electronic Protected Health Information (ePHI) will be subject to the HIPAA Privacy and Security regulations, and DC Exchange will adhere to such regulations and the associated encryption rules. All Trading Partners also are expected to comply with these regulations and encryption policies.

For each Trading Partner, the DC Exchange and partner will specifically define interchange components, e.g., machine names, security protocols, security credentials, encryption methods, and field contents. These definitions will be captured and maintained in the DC Exchange Carrier Onboarding Document. Table 1 and Table 2 list fields that must be established between Carriers and the DC Exchange.

Table 1: Fields Defined in the Carrier Onboarding Document

Field	Loop	Element
Exchange Name	1000B	N102
Carrier Name	1000A/B	N102
Originating Company Number	1000A/B	N104
Payer Contact Name	1000B	PER02
Carrier Tax Identification Number	1000A	N104
Exchange Tax Identification Number	1000A	N104

Table 2: Participants in the DC Exchange

Name	DC Exchange ID
Aetna Health, Inc.	AHI
Aetna Life Insurance Company	ALIC
CareFirst BlueChoice, Inc.	CFBCI
Group Hospitalization and Medical Services, Inc.	GHMSI
Kaiser Foundation of the Mid-Atlantic States, Inc.	KFMASI
Optimum Choice, Inc.	OCI
United Healthcare Insurance Company	UHIC
DC Exchange	DC HBX
Dominion Dental	DMND
MetLife Dental	META
Dentegra Dental	DTGA
Delta Dental	DDPA
Guardian Life (Dental)	GARD
BEST Life and Health (Dental)	BLHI

This document describes the EDI messages that will be used for both the Individual and Small Business Health Options Program (SHOP) markets.

1.5   Key Terms

Advance Premium Tax Credit (APTC)   Advance payments of the premium tax credit means payment of the tax credits specified in the Affordable Care Act which are provided on an advance basis to an eligible individual enrolled in a QHP through an Exchange.

Business Requirement (BR)   Specific business element or task which is required by the District of Columbia, business users, legislation, regulation or guidance

Carrier   Refers broadly to any entity licensed to engage in the business of insurance in District of Columbia and subject to District laws regulating insurance. These entities include insurers, health maintenance organizations, non-profit health service plans, dental plan organizations, stand-alone vision carriers, and consumer operated and oriented plans.

CCIIO   Center for Medicare & Medicaid Services' Center for Consumer Information and Insurance Oversight

CMS   Center for Medicare & Medicaid Services

CSR	Cost-Sharing Reduction
Customer	Individual using DC Exchange to directly acquire health insurance
DC Exchange	District of Columbia based Health Insurance Marketplace
Dependent	A dependent is an individual who is eligible for coverage because of his or her association with a subscriber. Typically, a dependent is a member of the subscriber's family.
DISB	District of Columbia Department of Insurance, Securities and Banking
EDI	Electronic Data Interchange
Health plans	Health care coverage plans sold on the DC Exchange to individuals, families and small employers. They include Qualified Health Plans (QHPs), Qualified Standalone Dental Plans (QDPs) (which are a subset of QHPs), and Catastrophic Plans
Insured or Member	An insured individual or member is a subscriber or dependent who has been enrolled for coverage under an insurance plan. Dependents of a Subscriber who have not been individually enrolled for coverage are not included in Insured or Member.
Metal Levels	Platinum, Gold, Silver, and Bronze - representing available QHPs in descending actuarial value
No Wrong Door	The provision in the Affordable Care Act requiring states to ensure that a customer who approaches the state for health assistance programs is correctly directed to the program for which they are eligible including individual affordability programs such as Medicaid or qualified health plans (QHPs)
Qualified Employee/SHOP Employee	Employee of a qualified employer who has been offered coverage through the SHOP Exchange
Qualified Employer/SHOP Employer	An employer with 50 or fewer employees, with a business address in the District of Columbia, which offers QHP(s) to at least all full-time employees working an average of at least 30 hours per week
Qualified Health Plans (QHPs)	The certified health insurance plans and standalone dental plans offered to consumers and small businesses purchasing coverage through the DC Exchange.
Reference plan	A benchmark plan chosen by an employer for purposes of calculating employer contributions. The employee cost to enroll in the reference plan is the same for each coverage tier for every employee regardless of his/her age. If an employee chooses to enroll in a plan other than the reference plan, the employee cost is the cost to enroll in the reference plan plus the difference between the member-level age-

rated lists billed premium for the reference plan and the plan in which the individuals enroll

Small Business Health Options Program   Or SHOP**,** the component of the DC Exchange designed to allow small businesses to shop for QHPs for their employees

Sponsor   A sponsor is the party that ultimately pays for the coverage, benefit, or product. A sponsor can be an individual, employer, union, government agency, association, or insurance agency.

Subscriber   Subscriber is an individual covered by a QHP through the Small Business Health Options Program (SHOP) because of his or her employment by a Qualified Employer, or an individual who purchases a QHP through the DC Exchange individual market.

1.6 Related Resources

This Carrier Integration Manual is one in a series of documents that describes and specifies communication between the DC Exchange and carriers. Below is a list of related guides and specifications. Current versions of these DC Exchange-produced resources may be obtained at the DC Health Benefit Exchange Web site (see How to Contact Us).

Table 3: Related Resources

Document	Description
CMS Companion Guide for the Federally Facilitated Exchange (FFE)	Provides information on usage of 834 transaction based on 005010X220 Implementation Guide and its associated 005010X220A1 addenda
CMS Standard Companion Guide	
Trading Partner Agreements (TPA)	Outlines the requirements for the transfer of EDI information between a Carrier and DC Exchange
DC Exchange Carrier Onboarding Document	Contains all the information including interchange specifications required to onboard a Carrier on DC Exchange
DC Exchange Benefit Enrollment Companion Guide	Provides technical information on 834 transactions supported by DC Exchange
DC Exchange Premium Payment Companion Guide	Provides technical information on 820 transactions supported by DC Exchange
DC Exchange Carrier Testing Document	Contains the testing strategy for DC Exchange – Carriers integration
DC Exchange Transaction Error Handling Guide	Provides details
DC Exchange Broker and Employer Demographic Data Exchange Guide	Provides technical information on Broker and Demographic Data file exchanges supported by the DC Exchange.

1.7   How To Contact Us

The DC Exchange maintains a Web site with Carrier-related information along with email and telephone support:

- **Web**:   http://dchbx.com/page/carrier-information
- **Email**:   XXXX@XXX.com
- **Phone**:   1-XXX-XXX-XXXX

2   DC Exchange Overview

2.1   Functional Overview

Below sections provides a functional overview of the DC Exchange in relation to enrollment and payment data exchange with Carriers.

2.1.1   Enrollment

Enrollment information for the purposes of this guide refers to both subscriber and dependent enrollment. DC Exchange allows for enrolling dependents as well as subscribers.

The enrollment data is used to:

- Add a new employee or individual
- Update an existing employee or individual
- Disenroll an existing employee or individual
- Add a new dependent
- Update an existing dependent
- Disenroll an existing dependent

2.1.2   Disenrollment

Disenrollment is the termination or cancellation of QHP coverage for an individual, employee or employer group. Disenrollment causes coverage to end, and billing to the entity to end as well. The source of the termination can be either the DC Exchange or the Carrier. When the DC Exchange is collecting payments from the insured entity (as will be the case for all employer payments and the first payment for individual enrollees), the DC Exchange will originate the disenrollment, and send the information to the Carrier. When the Carrier is collecting payments from the insured, as will typically be the case for individuals on the DC Exchange, the Carrier will originate the disenrollment and communicate it to the DC Exchange. The communication from the disenrollment from either party will be by the same means as the enrollment data was originally communicated.

2.1.3   Payments

In general, payments are received either by the DC Exchange or by a Carrier. When a payment is received, the payment information must be sent from the entity receiving the payment to the other entity.

When the DC Exchange receives payment, the DC Exchange will remit the dollars and send the payment remittance information to the Carrier.

The DC Exchange collects all payments in the small business (SHOP) insurance market. n the individual market, the DC Exchange may collect the first or binder payment from the consumer.

The Advance Premium Tax Credit (APTC) payments are sent directly to the Carriers by the Federal Government (i.e. the APTC is not sent to the DC Exchange).

Consumers in the individual market may choose to be billed by the Carrier for the first or "binder" payment. Additionally, consumers in the individual market must pay all subsequent premium payments to the Carriers. These payments, along with any APTC or Cost Sharing Reduction (CSR) payments, must be reported to DC Exchange by the Carrier.

2.2   Reconciliation

2.2.1   Enrollment Reconciliation

In the initial stages of the DC Exchange operation, enrollment reconciliation will take place on a weekly basis. The intention is to identify anomalies and exceptions scenarios as early as possible, in an effort to respond quickly and minimize the impact of issues. After any critical issues in the enrollment process have been addressed, the frequency of enrollment reconciliation will shift to monthly basis. The report structure and format will follow the Reconciliation Report Template,

Any issues identified by Carriers need to be reported to the DC Exchange in a manner and within a time period defined by the DC Exchange.

2.2.2   Payment Reconciliation

In the initial stages of the DC Exchange operation, payment reconciliation will take place on an as-needed basis. The intention is to identify anomalies and exceptions scenarios as early as possible, in an effort to respond quickly and minimize the impact of issues.

DC Exchange requires that a Carrier reconcile payment files with the Exchange no less than once a month.

Payment Reconciliation Process:

DC Exchange will send two separate payment files in ASC X12 820 format to the Carrier for reconciliation purposes on monthly basis.

- File containing all Individual payment data to Carrier.

- File containing all SHOP payment data to Carrier.

The above files must contain the cumulative payment information between the DC Exchange and a Carrier at any given point of time for a benefit year.

Carriers need to analyze and reconcile the files with the data in their systems. Carriers can contact DC Exchange customer support if there are any questions or discrepancies.

2.3   High Level Architecture Overview

Figure 1 provides a high level architectural view of the DC Exchange. The users on the top part of the diagram access the DC Exchange functionality through various means as depicted in the diagram.
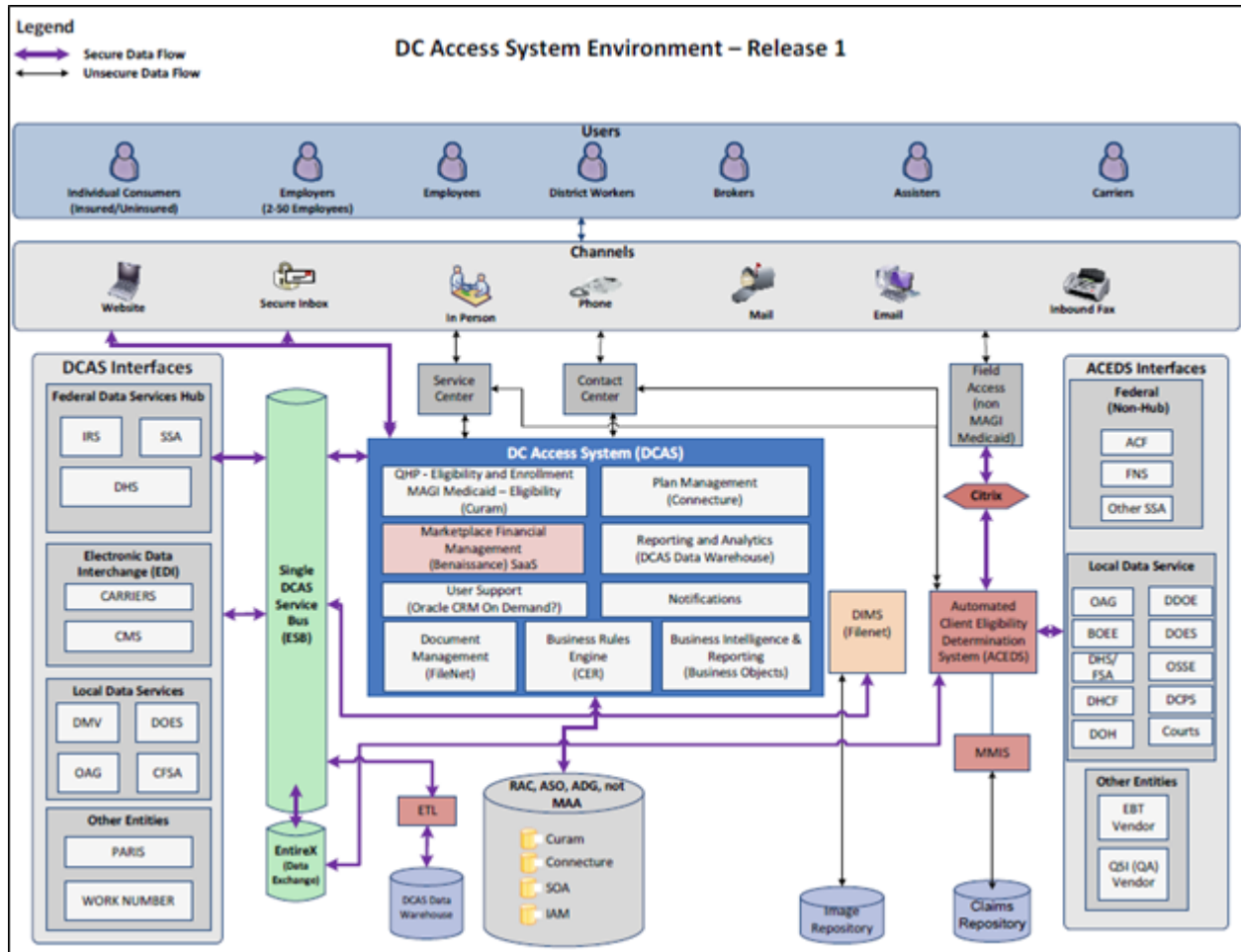
Figure 1: DC Exchange DCAS System Architecture

3   Data Exchange Details

For carriers to be able to update their system with new or updated enrollment data, DC Exchange needs to provide them with the enrollment and billing data. DC Exchange will send this data to carriers as encrypted EDI files which are accessible via SFTP at a predetermined location provided by DC exchange.

Figure 2: DC Exchange - Carrier Data Interfacedepicts the different payment and enrollment data transactions between the DC Exchange and Carriers.
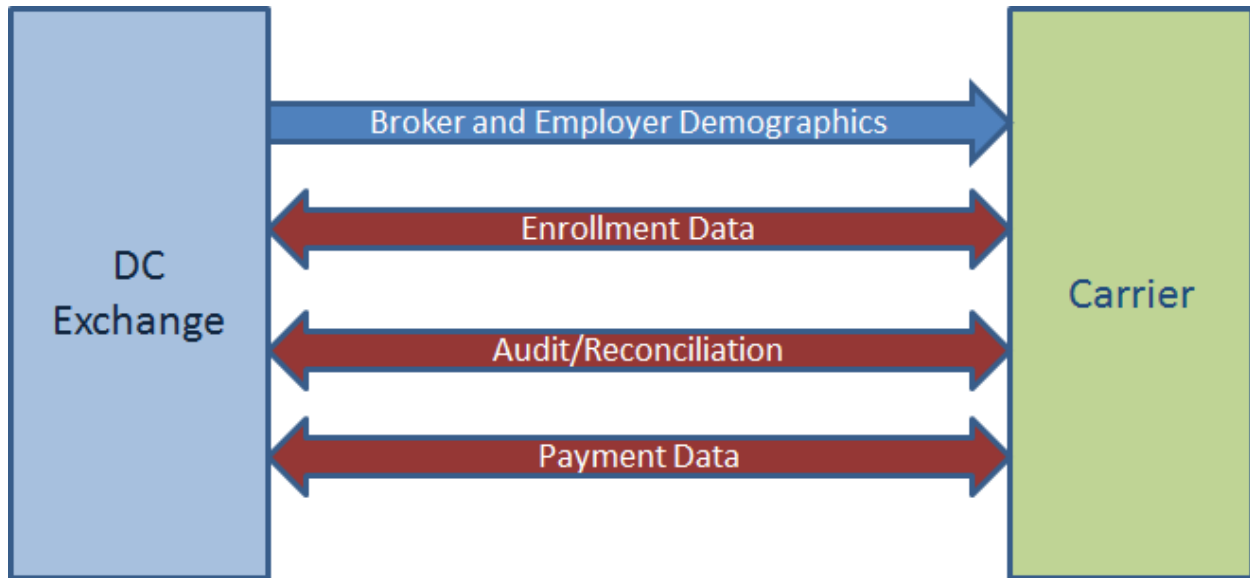
Figure 2: DC Exchange - Carrier Data Interface

DC Exchange has set up a standard SSH File Transfer Protocol (SFTP) servers for the data exchange. Each Carrier will be provided credentials to access their respective folders on the server. Each Carrier will see four standard folders on the SFTP server.

Table 4: SFTP Server File Folders

Folder	Source	Destination	Description
Inbound	DC Exchange	Carrier	Inbound files from the DC Exchange to the Carrier
Outbound	Carrier	DC Exchange	Outbound files from the Carrier to the DC Exchange
Inbound/../Archive	DC Exchange	Carrier	Archive of inbound files from the DC Exchange to the Carrier
Outbound/../Archive	Carrier	DC Exchange	Archive of outbound files from the Carrier to the DC Exchange

Detailed information on the directory structure and protocols is provided in the DC Exchange Carrier Onboarding Document.

3.1   File Exchange Activity Sequence

3.1.1   Inbound Activity Sequence

Below is the sequence of activities for an Inbound file transfer from the DC Exchange to a Carrier. All inbound files to Carriers are encrypted and are available for them to retrieve from their respective INBOUND folders.

1. Carrier authenticates self and establishes a secure connection with DC Exchange.

2. Carrier downloads the inbound file from INBOUND folder.

3. Carrier prefers header check on the inbound file.

4. Carrier sends TA1 acknowledgment/error file to OUTBOUND folder.

5. DC retrieves the TA1 file.

6. DC moves TA1 file to OUTBOUND Archive.

7. If file was successful, Carrier processes the inbound file.

8. After processing the inbound file, Carrier sends 999 Acknowledgement/Error file to the OUTBOUND folder.

9. DC Exchange retrieves the 999 acknowledgement/error file.

10. Acknowledgment/error file is moved to Carrier's OUTBOUND Archive folder.

11. Carrier moves processed and acknowledged inbound file to INBOUND Archive folder.

3.1.2   Outbound Activity Sequence

Below is the sequence of activities for an outbound file transfer from a Carrier to the DC Exchange. All outbound files from a Carrier are encrypted and are available for DC Exchange in their respective OUTBOUND folder to process.

1. Carrier authenticates self and establishes a secure connection with DC Exchange.

2. Carrier pushes the encrypted outbound file to OUTBOUND folder on the DC Exchange SFTP server.

3. DC Exchange takes a copy of the file and checks the header.

4. DC Exchange sends TA1 Acknowledgment/Error file to Carrier's OUTBOUND folder.

5. If header check was successful, DC Exchange processes file.

6. DC Exchange sends 999 Acknowledgement/Error file to Carrier's INBOUND folder.

7. DC Exchange moves the file to the OUTBOUND Archive folder.

8. Carrier retrieves the TA1 and 999 acknowledgment/error files.

9. Acknowledgment/error file is moved to Carrier's INBOUND Archive folder.

4 Transactions with Carriers

Below is the list of different transactions that occur between DC Exchange and Carriers:

- Employer and Broker Demographic transactions
- Enrollment transactions
- Payment transactions
- Audit and reconciliation transactions

The subsequent sections provide more information on all these transactions. The functional business process flows identify the responsible partner (either DC Exchange or Carrier), frequency (e.g.; daily, weekly) and time-of-day. The frequency values assume business days: Monday through Friday except for District of Columbia holidays. The time-of-day values are representative-only to illustrate the processing window. Carriers will receive actual time-of-day assignments as part of the onboarding process.

4.1 Employer and Broker Demographic Transactions

DC Exchange sends employer/group and broker demographic data to Carriers via a batch process. Carriers must set up employer/group data and broker data before any related enrollment or payment transactions can be processed. The file will be shared daily in the Carrier INBOUND folder at the same time as the EDI files. The Carrier must load the XML data into their system prior to loading enrollment and payment files, to ensure that Employer and Broker data transmitted in the enrollment file is accurately reflected. Refer to the DC Exchange Employer and Broker Data Exchange Demographic Guide for XSD schema and further details.

4.1.1 Employer Demographic Data

Employer demographic transaction provides employer/group related data to the Carriers via a batch process. DC Exchange compiles the demographic data in an XML file in following scenarios:

- New employer/group being onboarded on DC Exchange
- Updates to existing employer/group data
- Employer/Group termination

File details are available in the DC Exchange Employer and Broker Demographic Data Exchange Guide.

4.1.2 Broker Demographic Data

Broker demographic transaction provides broker related data to the Carriers via a batch process. DC Exchange compiles the demographic data in an XML file in following scenarios:

1. New broker being onboarded on DC Exchange
2. Updates to existing broker data
3. Broker termination

File details are available in the DC Exchange Employer and Broker Demographic Data Exchange Guide.

4.2   Enrollment Transactions

Table 5 depicts the supported enrollment transactions in the DC Exchange based on the CMS FFE Standard Companion Guide. The table depicts the allowed transactions and the authorized senders.

Table 5: 834 Transactions

Transaction Type	DC Exchange to Carrier	Carrier to DC Exchange
Initial Enrollment	X	
Effectuation		X
TA1/999	X	X
Change	X	X
Cancellation	X	X
Termination	X	X
Reinstatement	X	X

Following instructions for the content of EDI files for standard enrollment operations.

4.2.1   Initial Enrollment/Effectuation -- Individual

An initial enrollment transmission is created by the Exchange and sent to the Carrier after an application has been determined eligible, a QHP has been selected, and payment has been verified.

EDI Business Process Flow

1. **DC Exchange** posts 834 individual initial enrollment file to Carrier drop box each business day **by 10am**

2. If **DC Exchange** fails to post 834 individual initial enrollment file **by 10am**

    a. **Carrier** notifies designated DC Exchange technical contact **by noon**

    b. **DC Exchange** corrects error and posts records (along with new transactions) in 834 change file **next business day**

3. **Carrier** downloads 834 individual initial enrollment file from DC Exchange

    a. **Carrier** submits 834 file for <u>X12 Compliance and Syntax Validation</u> (see below)

    b. **Carrier** processes 834 file records that pass validation and posts 834 effectuation record to DC Exchange **within five business days**

    c. **Carrier** posts 834 individual effectuation file to DC Exchange each business day **by 9am**

4. If **Carrier** fails to post 834 individual effectuation file

    a. **DC Exchange** notifies designated DC Exchange technical contact **by 11am**

b. **Carrier** corrects error and posts records (along with new transactions) in 834 change file **next business day**

5. **DC Exchange** accesses Carrier 834 individual effectuation file

6. **DC Exchange submits** 834 file for <u>X12 Compliance and Syntax Validation</u> (see below)

Individual Enrollment Flow of Events

1. A valid DCAS user shops, selects plan and submits

2. User chooses premium payment option

3. If user selects pay premium to DC Exchange

   a. **DC Exchange** collects credit card information or invoices/processes payment

   b. If premium payment clears

      i. **DC Exchange** posts an 834 initial enrollment record **within one business day**

   c. If premium payment doesn't clear **within appropriate timeframe** (based on Billing & Enrollment Timelines documentation)

      i. DC Exchange cancels enrollment

      ii. DCAS updated to reflect cancellation

      iii. No notice sent to Carrier, as 834 record never transmitted

4. If user selects pay premium to Carrier

   a. **DC Exchange** posts an 834 initial enrollment record (using extended 834 2750 loop directing Carrier to issue invoice) **within one business day**

   b. **Carrier** invoices/processes payment

   c. If premium payment clears

      i. **Carrier** posts 820 premium payment information record to DC Exchange **within one business day**

      ii. **Carrier** posts 834 effectuation record to DC Exchange **within five business days**

   d. If premium payment doesn't clear **within calendar 90 days**

      i. **Carrier** posts 834 cancellation record to DC Exchange

4.2.2   Initial Enrollment/Effectuation – SHOP

Group Information Assumptions

- DC Exchange will use XSD for Employer/Broker Demographic information

- DC Exchange will post XML files daily, even if no new employer/broker information

- DC Exchange will transmit initial enrollment for SHOP employees in a group-specific 834 change file

- Failure to process XML will result in failure to process any corresponding records in 834

Flow of Events

1. **DC Exchange** posts XML file to Carrier drop box each business day **by 10am**

2. If DC Exchange fails to XML file by 10am

   a. **Carrier** notifies designated DC Exchange technical contact **by noon**

   b. **DC Exchange** corrects error and posts records (along with new transactions) in XML file **next business day**

3. **Carrier** downloads XML file from DC Exchange

4. **Carrier** validates XML data file against audit file XSD

5. If XSD validation fails

   a. **Carrier** posts error file to DC Exchange **within 15 minutes**

   b. **DC Exchange** corrects error and reposts records (along with new transactions) in XML file **next business day**

   c. **DC Exchange** reposts all corresponding 834 records in X12 file **next business day**

6. **DC Exchange** posts 834 initial enrollment for SHOP group file to Carrier drop box each business day **by 10am**

7. If **DC Exchange** fails to post 834 initial enrollment for SHOP group **by 10am**

   a. **Carrier** notifies designated DC Exchange technical contact **by noon**

   b. **DC Exchange** corrects error and posts records (along with new transactions) in 834 initial enrollment for SHOP file **next business day**

8. **Carrier** downloads 834 initial enrollment for SHOP group file from DC Exchange

9. **Carrier** submits 834 file for X12 Compliance and Syntax Validation (see below)

10. **Carrier** processes 834 file records that pass validation and posts 834 effectuation record to DC Exchange **within five business days**

11. **Carrier** posts 834 effectuation file for SHOP group to DC Exchange each business day **by 9am**

12. If **Carrier** fails to post 834 effectuation file

   a. **DC Exchange** notifies designated Carrier technical contact **by 11am**

   b. **Carrier** corrects error and posts records (along with new transactions) in 834 change file **next business day**

13. **DC Exchange** accesses Carrier 834 effectuation file for SHOP group

14. **DC Exchange submits** 834 file for <u>X12 Compliance and Syntax Validation</u> (see below)

4.2.3   Enrollment Effectuation Transaction

An Effectuation file is created by the Carrier and sent to the Exchange for 834 EDI initial enrollment transactions that have been successfully processed.

4.2.4   Confirmation Transaction

For the initial launch phase of the DC Exchange, starting on October 1, 2013, the DC Exchange will not require or collect 834 confirmation files from Carriers. This decision will be evaluated in the future.

4.2.5   834 Error Transaction

When an 834 cannot be processed and errors are determined either by DC Exchange or Carrier, the TA1/999 Interchange Acknowledgement and EDI X12 999 – Implementation Acknowledgement will be used.

When 834 file has Interchange Level errors:

   1. Carrier rejects the entire 834 file.
   2. Carrier generates the TA1 file with errors and sends the file back to DC Exchange.
   3. DC Exchange corrects the errors and resends the 834 file to the Carrier.

When 834 file has standard syntax errors or Implementation Guide (IG) level errors:

   1. Carrier rejects the transactions in the 834 file that have standard syntax errors or IG errors.
   2. Carrier generates the 999 file with errors and sends the file to DC Exchange.
   3. DC Exchange corrects the errors and resends the transactions.

Error handling situations are referenced in the DC Exchange Transaction Error Handling Guide.

4.2.6   Enrollment Cancellation Transaction

An 834 EDI Cancellation transaction is used in a situation where specific individual market coverage is cancelled **prior** to the effective date of enrollment.

Assumptions

- DC Exchange may issue cancellation to Carrier for situations such as:

  o Individual obtaining coverage through employment prior to start of coverage

  o Individual moving out of area prior to start of coverage (in some circumstances)

  o No binder payment received – 30 days (non-APTC) or 90 days (APTC eligible)

o   Death of Individual

o   Fraud

- Carriers may cancel coverage for the following reasons:

    o   No binder payment received – 30 days (non-APTC) or 90 days (APTC eligible)

    o   Death of individual

    o   Fraud

Flow of Events

1. **Event** occurs that causes **DC Exchange** to determine a user should not be effectuated

2. **DC Exchange** posts 834 maintenance file to Carrier drop box each business day **by 10am**

3. If **DC Exchange** fails to post 834 maintenance enrollment file **by 10am**

    a. **Carrier** notifies designated DC Exchange technical contact **by noon**

    b. **DC Exchange** corrects error and posts records (along with new transactions) in 834 change file **next business day**

4. **Carrier** downloads 834 maintenance file from DC Exchange

5. **Carrier** submits 834 file for X12 Compliance and Syntax Validation (see below)

6. **Carrier** processes 834 file records that pass validation

7. **Event** occurs that causes **Carrier** to determine a user is ineligible to participate in exchange

8. **Carrier** posts 834 maintenance file to Carrier drop box each business day **by 10am**

9. If **Carrier** fails to post 834 maintenance enrollment file **by 10am**

    a. **DC Exchange** notifies designated DC Exchange technical contact **by noon**

    b. **Carrier** corrects error and posts records (along with new transactions) in 834 change file **next business day**

10. **DC Exchange** downloads 834 maintenance file from DC Exchange

11. **DC Exchange** submits 834 file for X12 Compliance and Syntax Validation (see below)

12. **DC Exchange** processes 834 file records that pass validation

4.2.7   Enrollment Termination Transaction

A termination transaction is initiated by either the Exchange or a Carrier. A termination transaction is initiated in situations when the enrollment is to be ended after the effective date of coverage.

The Exchange may initiate a termination transaction for any valid reason; however the Carrier is only permitted to initiate a termination for non-payment of coverage, death of the member, or fraud.

4.2.8   Eligibility Re-determinations

An individual or family may report a life event change to the DC Exchange that will require the re-determination of eligibility to purchase insurance on the Exchange, or a re-determination of APTC eligibility/APTC amount eligibility, or CSR eligibility.

DC Exchange will report APTC and CSR contribution amounts to QHP issuers in the 834 Member Reporting Categories Loop using the mechanism identified in the CMS Companion Guide for the Federally Facilitated Exchange (FFE).

Specific instructions for reporting these values can be found in Sections 9.5 and 9.6 of the CMS Companion Guide.

EDI Process Flows

1. **DC Exchange** posts 834 maintenance file to Carrier drop box each business day **by 10am**

2. If **DC Exchange** fails to post 834 maintenance enrollment file **by 10am**

    a. **Carrier** notifies designated DC Exchange technical contact **by noon**

    b. **DC Exchange** corrects error and posts records (along with new transactions) in 834 change file **next business day**

3. **Carrier** downloads 834 maintenance file from DC Exchange

4. **Carrier** submits 834 file for <u>X12 Compliance and Syntax Validation</u> (see below)

5. **Carrier** processes 834 file records that pass validation

Flow of Events

1. A valid, enrolled user reports a life change to **DC Exchange**

2. **DC Exchange** performs eligibility redetermination

3. If **DC Exchange** determines user is no longer eligible to participate in the exchange

    a. DC Exchange produces 834 termination record within one business day

4. If DC Exchange determines user becomes Medicaid-eligible or user does not make timely QHP payment

    a. DC Exchange produces 834 termination record within one business day

5. If DC Exchange determines change in APTC

    a. **DC Exchange** produces 834 record with new APTC amount **within one business day**

4.2.9   Change Transaction

DC Exchange issues a standard 834 EDI Change transaction to update information that has changed. Examples of this would be changes in member name and/or contact information.

4.2.10 Individual Market Re-Enrollment Transaction

A re-enrollment transaction is generated by DC Exchange when an enrollee who has been terminated is re-enrolled. For instance, the main subscriber on an account becomes ineligible, and the dependent(s) elect to continue coverage.

Flow of Events

1. A valid, enrolled user becomes ineligible to participate in exchange

2. User's dependent requests continued participation in DC Exchange

3. **DC Exchange** performs eligibility redetermination on dependent(s)

4. If **DC Exchange** determines dependent is eligible to participate in exchange

    a. **DC Exchange** produces 834 re-enrollment record with APTC amount **within one business day**

4.2.11 Reinstatement Transaction – DC Exchange to Carrier

A Reinstatement transaction is generated by DC Exchange when an enrollee who has been terminated is being reinstated.

Flow of Events

1. A valid, enrolled user or SHOP group is terminated due to non-payment

2. If **DC Exchange** receives timely payment or is notified of an appeal

    a. **DC Exchange** produces 834 reinstatement record(s) **within one business day**

4.2.12 Reinstatement Transaction – Carrier to DC Exchange

A Reinstatement transaction is generated by Carrier when an enrollee who has been cancelled or terminated is being reinstated.

Flow of Events

1. A valid, enrolled user is cancelled or terminated

2. If Carrier receives timely payment or is notified of an appeal

    a. Carrier produces 834 reinstatement record within one business day

3. Carrier posts 834 maintenance file to Carrier drop box each business day by 10am

4.2.13 Termination (Due to Address Change) Transaction

DC Exchange sends two transactions to the Carrier when a change of address results in a QHP termination. The first transaction communicates the change of address and the second initiates the termination. Because changes of address can trigger a redetermination, all changes of address must be done by the subscriber to the DC Exchange, and not to the Carrier.

Flow of Events

1. A valid, enrolled user reports new residence address to **DC Exchange**

2. **DC Exchange** produces 834 address change record **within one business day**

3. **DC Exchange** performs eligibility redetermination

4. If **DC Exchange** determines user is no longer eligible to participate in the exchange

    a. DC Exchange produces 834 termination record within one business day

5. **DC Exchange** posts 834 maintenance file to Carrier drop box each business day **by 10am**

6. If **DC Exchange** fails to post 834 maintenance enrollment file **by 10am**

    a. **Carrier** notifies designated DC Exchange technical contact **by noon**

    b. **DC Exchange** corrects error and posts records (along with new transactions) in 834 change file **next business day**

7. **Carrier** downloads 834 maintenance file from DC Exchange

8. **Carrier** submits 834 file for X12 Compliance and Syntax Validation (see below)

9. **Carrier** processes 834 file records that pass validation

4.2.14 Reconciliation/Audit Transaction

The DC Exchange sends a Carrier a standard 834 "audit or full" file with a Maintenance Type Code of "030," which contains enrollment data for all the active enrollments present on the day of transaction. In response the Carrier sends a reconciliation report in the XML format as defined in the DC Exchange.

Any issues identified by Carriers must be reported to the DC Exchange.

Assumptions

1. Audit files are in 834 format, and contain complete subscription database

2. Audits may occur more frequently following initial system launch

Flow of Events

1. **If 1st day of month** (or first business day after if falls on weekend or holiday)

2. **DC Exchange** posts 834 audit file to Carrier drop box each business day **by 10am**

3. If **DC Exchange** fails to post 834 audit file **by 10am**

4. **Carrier** notifies designated DC Exchange technical contact **by noon**

5. **Carrier** downloads 834 audit file from DC Exchange

6. **Carrier** submits 834 file for X12 Compliance and Syntax Validation (see below)

7. **Carrier** processes 834 file records that pass validation and posts 834 effectuation record to DC Exchange **within five business days**.

4.3 Payment Transactions

The following table depicts the supported transactions in the DC Exchange based on the CMS Standard Companion Guide. Table 6 depicts the allowed transactions and the authorized senders.

Table 6: 820 Transactions

Transaction Type	DC Exchange to Carrier	Carrier to DC Exchange
Individual Binder Payment	X	X
Individual Ongoing Payment		X
TA1/999	X	X
SHOP Payment	X	

The sub-sections below provide instructions for the content of EDI files for payment related data operations.

4.3.1   Individual Binder Payment

The DC Exchange may accept payments from individuals and families for their first binder payment. In this case, binder payments for individuals are remitted from the DC Exchange to Carriers twice a month.

Carriers may also accept a binder payment if a subscriber elects to pay the carrier directly. In this case, the carrier should inform the Exchange of the receipt of the payment in their daily 820 file to register the payment with the DC Exchange and keep the member files up to date.

4.3.2   Individual Ongoing Payment

Ongoing payments are paid directly to Carriers; these payments must be reported to the DC Exchange; however no money is actually transferred. Carriers must share ongoing payment information on a daily basis to ensure that records are kept up to date.

4.3.3   SHOP Payment

SHOP payments are always paid from the DC Exchange to the Carrier. The Exchange will send one 820 file per group per carrier.

4.3.4   820 Error Transaction

When an 820 cannot be processed and errors are determined either by DC Exchange or Carrier, parties will use the TA1/999 Interchange Acknowledgement and EDI X12 999 Implementation Acknowledgement. More details can be found in the DC Exchange Error Handling Guide.

5   Testing

In order to interface with the production systems of DC Exchange, all data interfaces have be tested and certified in a testing environment.

5.1   Testing Process

The DC Exchange defines the testing process in the following high-level phases:

1. Test Planning and Preparation
2. Test Execution and Support
3. Test Validation and Technical Certification

5.2   Test Planning and Preparation

During the planning phase, the DC Exchange and participating Carriers will identify resources to support the testing effort. The DC Exchange envisions the following type of high-level roles/responsibilities.

Table 7: Testing Roles and Responsibilities

Role	Responsibility	Carrier Will Identify	DC Exchange Will Identify
Test Manager	The DC Exchange will provide a Test Manager. The Test Manager will be the primary point of contact throughout the testing effort. The Test Manager will coordinate and oversee the entire testing effort. Responsibilities include: Coordination of the test schedule. Organizing and facilitation of conference calls and meetings. Management of issues, risks, action items. Management of the defect resolution process, coordinating the review, remedy, and disposition, of defects and/or anomalies. Management and assurance of timely reporting of the overall test effort Facilitation of the definition and acceptance of go/no-go criteria. Facilitation of final technical validation as part of overall certification.		X

Role	Responsibility	Carrier Will Identify	DC Exchange Will Identify
Test Specialist	Both the DC Exchange and participating Carriers will provide Test Specialists. The Test Specialists will collaborate to: Develop scenarios and test use cases Execute test plan Identify and document defects and anomalies Perform retesting and regression testing as appropriate Validate reporting functions with DC Exchange based on reporting requirements Contribute to status and management reporting on the overall test effort	X	X
Developer	Both the DC Exchange and the participating Carriers will make available technical development staff to support the testing effort. Through Test Planning and Preparation, the specific roles and responsibilities for the DC Exchange development staff and the participating Carrier development staff will be elaborated and more clearly defined. At a high level, the DC Exchange developers and participating Carrier developers are responsible for researching and resolving defects and/or anomalies, as appropriate. Developers are also responsible for managing testing environments, technical access and security, and applicable interface support.	X	X

The Test Manager will support the participating Carriers in understanding of the testing process by creating a framework for collaborative development of:

5.2.1 Testing Roadmap

The Roadmap is a simple document outlining the various steps, and the testing timeline that the Carrier Test Specialist will need to follow to self-test their changes in DC Exchange with the DC Exchange Test Specialist.

5.2.2 Testing Roles and Responsibilities

In greater detail, the roles/responsibilities will be defined and shared between DC Exchange and the Carrier.

The Test Manager will communicate the expectations for turnaround time for the items on the Roadmap.

5.2.3 Test Cases and/or Scenarios

The DC Exchange will provide a guide on how to develop test cases and scenarios that map back to the approved requirements.

Test case scripting will be a collaborative effort between the DC Exchange and the participating Carriers.

5.2.4 Defect Reporting Process

Applicable access to tools and/or forms for documenting defects will be provided.

Detailed guidelines regarding how to report and disposition defects.

5.2.5 Validation and Technical Certification

The DC Exchange will provide detailed information regarding test entrance / exit criteria, pass / fail criteria, and how to meet the overall technical requirements necessary for review and certification.

5.3 Test Execution Process and Support

During the Testing phase itself, the DC Exchange will provide a testing environment for the participating Carriers to submit and validate various testing scenarios. It is during the execution phase that the Test Manager will coordinate testing sessions with each of the participating Carriers to schedule send/receive/response testing time in order to validate that the interfaces are functioning according to approved requirements. The Test Manager will work in concert with the Carriers to create an overall schedule, facilitate co-located and remote testing as appropriate, and manage the defect report/resolution process.

Test Specialists will execute the test scenarios and report findings. Defects and/or anomalies will be researched, documented, aligned with requirements, resolved if appropriate or deferred to a future release. Technical staff will participate in the research and resolution process. Test Specialists will perform retesting and disposition of the defect and/or anomaly, as applicable.

5.4 Test Validation and Technical Certification

As part of the overall process to be certified in their selected Program, the participating Carriers will be required to validate their technical solutions with the DC Exchange.

The Test Manager will work with each participating Carrier to schedule time for the Carrier and the DC Exchange to conduct the necessary tests, reviews, and evaluation for technical certification. During this time, all required scenarios will be validated and findings documented. Upon successful completion of this process, and following a separate review of the applicable business requirements necessary to perform the selected Program, the Carrier will be granted official certification from the DC Exchange for the interfaces that have been tested.

6   Carrier Program Support

As DC Exchange transitions from a development project into a functional program, it recognizes that new specific levels of support must be available to participating Carriers. To that end, specific post-project-implementation services will be retained to assure continuity and continuous operational improvement.

Specifically, the DC Exchange will retain specific support services for:

- Production Support and Maintenance / Operations
- Help Desk Support
- Call Center Support

The support information is included in the DC Exchange Carrier Onboarding Document.

7   File Archival

As per the HIPAA mandates, DC Exchange retains all the transaction files for a period of 6 years effective from the date of creation. Files are archived on the SFTP server shared with the Carriers and also on a separate secured network.

While the archived files on the SFTP server will be removed after a pre-determined retention period, the archived files on the secured network will be retained for 6 years.

BENEFIT ENROLLMENT (834) COMPANION GUIDE

July 17, 2013

Version 1.0

Revision History

Date	Version	Changes	Author	Reviewed by
05-22-2013	1.0a	Baseline	Vik Kodipelli	
05-28-2013	1.1a	Made changes to few sections to include DC specific information	Yesh Somashekhara	
06/21/2013	1.2a	Made several generic changes and added to Trading Partner, File Types and Frequency, EDI Acknowledgements and Confirmations, Error File – DC Exchange to Carrier, Carrier to DC Exchange, File Handling, Error Handling, and Encryption	Sara Cormeny	
07/16/2013	1.0	Draft, Reset document version to 1.0 to coordinate across all guides.	Sara Cormeny Dan Thomas	Saadi Mirza Yeshwanth Somashekhara David Sloand Gautham Palani Apurva Chokshi Trunal Kamble

Table of Contents

List of Tables

List of Figures

1   Introduction

1.1   Purpose and Scope

This document provides information about Carrier Integration when the District of Columbia Health Benefit Exchange (referred to as "DC HBX" or "DC Exchange") is the aggregator of enrollment data for carriers or the recipient of enrollment data from carriers.

This document describes the use and exchange of member enrollment, change and termination messages that will be used for both the Individual and Small Business Health Options Program (SHOP) markets.

1.2   Intended Audience

This document is written for system architects, EDI developers, network engineers and others who are involved in the integration program of Carrier systems with DC Exchange.

1.3   Background of DC Health Exchange

On March 23, 2010, the Patient Protection and Affordable Care Act (ACA) was signed into law. A key provision of the law requires all states to participate in a Health Benefit Exchange beginning January 1, 2014. The District of Columbia declared its intention to establish a state based health benefit exchange in 2011 with the introduction and enactment of the Health Benefit Exchange Authority Establishment Act of 2011, effective March 3, 2012 (D.C. Law 19-0094).

The Health Benefit Exchange Authority Establishment Act of 2011 establishes the following core responsibilities for the Exchange:

1.   Enable individuals and small employers to find affordable and easier-to-understand health insurance
2.   Facilitate the purchase and sale of qualified health plans
3.   Assist small employers in facilitating the enrollment of their employees in qualified health plans
4.   Reduce the number of uninsured
5.   Provide a transparent marketplace for health benefit plans
6.   Educate consumers
7.   Assist individuals and groups to access programs, premium assistance tax credits, and cost-sharing reductions

The DC Exchange is responsible for the development and operation of all core Exchange functions including the following:

1.   Certification of Qualified Health Plans and Qualified Dental Plans
2.   Operation of a Small Business Health Options Program (SHOP)
3.   Consumer support for coverage decisions
4.   Eligibility determinations for individuals and families
5.   Enrollment in Qualified Health Plans
6.   Contracting with certified carriers
7.   Determination for exemptions from the individual mandate

1.4   Trading Partner Agreement

A Trading Partner Agreement (TPA) is created between participants in Electronic Data Interchange (EDI) file exchanges. All trading partners who wish to exchange 5010 transaction sets electronically to/from DC Exchange via the ASC X12N 834, Benefit Enrollment and Maintenance (Version 005010X220A1) and receive corresponding EDI responses, must execute a TPA and successfully complete Trading Partner testing to ensure their systems and connectivity are working correctly prior to any production activity.

1.5   Regulatory Compliance

The DC Exchange will comply with the data encryption policy as outlined in the HIPAA Privacy and Security regulations regarding the need to encrypt health information and other confidential data. All data within a transaction that are included in the HIPAA definition of Electronic Protected Health Information (ePHI) will be subject to the HIPAA Privacy and Security regulations, and DC Exchange will adhere to such regulations and the associated encryption rules. All Trading Partners also are expected to comply with these regulations and encryption policies. (Please refer to the DC Exchange Carrier Onboarding Document for additional information).

1.6   Key Terms

The following are definitions for acronyms used in this document.

Table 1: Acronyms

Acronym	Definition
ACA	Affordable Care Act
APTC	Advance Payments of the Premium Tax Credit
ASC	Accredited Standards Committee
Cancellation of Health Coverage	End health coverage prior to the health coverage effective date. (Cancellation = Prior to effective date of coverage Termination = After effective date of coverage)
CCIIO	Center for Consumer Information and Insurance Oversight
CG	Companion Guide
CMS	Centers for Medicare & Medicaid Services
CSR	Cost-Sharing Reduction
EDI	Electronic Data Interchange
EDS	Enrollment Data Store
EFT	Enterprise File Transfer
FEPS	Federal Exchange Program System
FF-SHOP	Federally Facilitated Small Business Health Option Program
FFE	Federally Facilitated Exchange operated by HHS
HHS	Department of Health and Human Services
HIPAA	Health Insurance Portability and Accountability Act of 1996
Hub	Data Services Hub Referred to as the Hub
IG	Implementation Guide
PHS	Public Health Service
QHP	Qualified Health Plan

MEC	Minimum Essential Coverage
SBE	State-Based Exchange
SFTP	Secure File Transfer Protocol
SHOP	Small Business Health Option Program
Termination of Health Coverage	Terminate (end-date) health coverage after the health coverage effective date. (Cancellation = Prior to effective date of coverage Termination = After effective date of coverage)
Companion Guide Technical Information (TI)	The Technical Information (TI) section of the ASC X12 Template format for a Companion Guide which supplements an ASC X12 Technical Report Type 3 (TR3)
TR3	Type 3 Technical Report
XOC	eXchange Operational Support Center

1.7   Related Resources

This Benefit Enrollment Companion Guide is one in a series of documents that describes and specifies communication between the Exchange and carriers. Below is a list of related guides and specifications. Current versions of these resources may be obtained at the DC Health Benefit Exchange Web site (see How to Contact Us).

Table 2: Related Resources

Resource	Description
CMS Companion Guide for the Federally Facilitated Exchange (FFE)	Provides information on usage of 834 transaction based on 005010X220 Implementation Guide and its associated 005010X220A1 addenda
Trading Partner Agreements (TPA)	Outlines the requirements for the transfer of EDI information between a Carrier and DC Exchange
DC Exchange Carrier Onboarding Document	Contains all the information required for Carrier to connect and communicate with the DC Exchange, i.e. machine addresses, security protocols, security credentials, encryption methods
DC Exchange Carrier Integration Manual	Provides a comprehensive guide to the services offered by DC Exchange
DC Exchange Premium Payment Companion Guide	Provides technical information on 820 transactions supported by DC Exchange
DC Exchange Carrier Testing Document	Contains the testing strategy for DC Exchange – Carriers integration
DC Exchange Transaction Error Handling Guide	Provides details on exchange message validation and error handling
Employer Demographic XSD	XML schema definition for exchanging Employer Demographic information
Broker Demographic XSD	XML schema definition for exchanging Broker Demographic information
Reconciliation Report Template	Excel file template for Carriers to report and resolve discrepancies between Carrier and DC Exchange subscriber databases

1.8   How to Contact Us

The DC Exchange maintains a Web site with Trading Partner-related information along with email and telephone support:

- **Web**:   http://dchbx.com/page/carrier-information
- **Email**:   XXXX@XXX.com
- **Phone**:   1-XXX-XXX-XXXX

2   Electronic Communication with the DC Exchange

The DC Exchange will use EDI X12 standard formats in combination with custom files to support the exchange of necessary information with Carriers.

2.1   EDI Standards Supported

The DC Exchange uses the EDI ASC X12N standard formats for exchanging benefit enrollment and premium payment remittance information. The specifications and versions are as follows:

Specification	Version
EDI X12 834	005010X220A1
EDI X12 820	005010X306
EDI X12 TA1	005010231A1: Interchange Acknowledgement
EDI X12 999	005010231A1: Implementation Acknowledgement

2.2   SNIP Level Validation

The DC Exchange and Carriers will follow the SNIP 1 and SNIP 2 edits mandated by HIPAA.

WEDI SNIP Level 1: EDI Syntax Integrity Validation Syntax errors, also referred to as Integrity Testing, which is at the file level. This level verifies that valid EDI syntax for each type of transaction has been submitted. The transaction level is rejected with a 999 or a TA1 and will be sent to the submitter.

. Examples of these errors include, but are not limited to:

- Date or time is invalid.
- Telephone number is invalid.
- Data element is too long.

WEDI SNIP Level 2: HIPAA Syntactical Requirement Validation. This level is for HIPAA syntax errors. This level is also referred to as Requirement Testing. This level will verify that the transaction sets adhere to HIPAA implementation guides.

Examples of these errors include, but are not limited to:

- Invalid Social Security Number.
- Missing/Invalid Enrollee information.
- Patient's city, state, or zip is missing or invalid.
- Invalid character or data element.

2.3   Connecting to the DC Exchange

The DC Exchange publishes secure Internet resources that a Carrier may access to exchange electronic information. Under the Trading Partner setup process, a Carrier completes the DC Exchange Onboarding Document.

The Onboarding Document collects information about Carrier technical contacts, network details and other information necessary to establish secure communication. Based on this information, the DC Exchange will configure networks, create credentials, generate keys and forward these to the Carrier along with information necessary to connect to DC Exchange resources.

2.4   File Transfer and Security

The DC Exchange uses Pretty Good Privacy (PGP) to provide a secured method of sending and receiving information between two parties. Using PGP, sensitive information in electronic files is protected during transmission over the open Internet. The DC Exchange will administer and issue PGP keys to Carriers that provide appropriate access to exchange file and enable email-based communications.

The DC Exchange provides a landing zone for the placement of incoming or outgoing files. This landing zone is a secured environment where each Carrier can conduct private transactions with the DC Exchange. The Carrier will use SSH FTP protocol to transfer files to and from the landing zone.

The DC Exchange will also support SSH SMTP services. Carriers and the Exchange can use this to send email messages that contain private or sensitive content.

2.5   File Types and Frequency

There are four types of files that will support member enrollment and change information:

1. **Change File**: A file containing any changes. Any new record or update to a membership record will be included on the appropriate change file.
2. **Audit File**: An audit file containing the current view of the membership. So whether a member has been involved in a change or not, the file is sent to Carriers.
3. **Interchange Acknowledgement**: file header verification
4. **Functional Acknowledgement**: file content syntactic verification

*Please note: Throughout this document, "Daily" means business days; files will not be exchanged on weekends or Federal and District holidays.

**Please note: As of Oct. 1, 2013, the DC Exchange will not require Confirmation 834 EDI's from Carriers.   We will revisit this policy in the future.

Table 3: File Types and Frequency

DC Exchange	File Type	File Content	Frequency
Individual	Change File	Initial Enrollment 834	Daily*
	Change File	Effectuation 834 EDI	Upon processing of Initial Enrollment 834 EDI file
	Change File	Maintenance 834	Daily*
	Change File	Confirmation 834 EDI**	Upon processing of Maintenance 834 EDI file
	Audit	Full File 834	Weekly/Monthly
	Interchange Acknowledgement	TA1	Upon Receipt of 834
	Functional Acknowledgement	999	Upon processing of 834
SHOP	Change File	Initial Enrollment 834	Daily*
	Change File	Effectuation 834 EDI	Upon processing of Initial Enrollment 834 EDI file
	Change File	Maintenance 834	Daily*
	Change File	Confirmation 834 EDI**	Upon processing of Maintenance 834 EDI file
	Audit	Full File 834	Weekly/Monthly
	Interchange Acknowledgement	TA1	Upon Receipt of 834
	Functional Acknowledgement	999	Upon processing of 834

Table 4 lists 834 transactions by type and direction of message travel.

Table 4: 834 Transactions and Exchange Flow

Transaction Type	DC Exchange to Carrier	Carrier to DC Exchange
Initial Enrollment	X	
Effectuation		X
834 Confirmation**		X
Error 999 / TA1	X	X
Change	X	X
Cancellation	X	X
Termination	X	X
Reinstatement	X	X
Reconciliation	X	

2.6   File Naming

Files follow a naming convention as mentioned below which provides enough information about the file and its destination. Information is delimited by an underscore "_" to allow parsing.

[FileStandard_DateTime_IssuerID_GroupID_FileType_FileContent_ExchangeType.pgp]

e.g. 834_201305141422Z_CFBCI_INDIV_N_S_I.pgp

The following table explains the possible values of each file name part.

Table 5: File Naming Convention

File Name Part	Description	Possible Values
File Standard	File format Standard used	834
Date Time	UTC date and time in the format yyyyMMddHHmm. Suffix Z indicates UTC.	Example: 201305141422Z
Carrier ID	Unique Issuer identifier. Carrier Name will be used here as that is the only common ID across systems.	Carrier IDs are established though trading partner agreements for a given exchange.
Group ID	The Exchange-issued Group ID.	Still under review
File Type	Whether this relates to non-payment or ACH transfer.	"N" Non-Payment – no money transfer "A" ACH – money is transferred via a separate ACH file
File Content	Whether this is a standard 820 file, audit file, or an acknowledgement	"S" Standard 820 file "D" Audit file. File Type for audit files must always be N (Non-Payment) TA1 Technical Acknowledgement 999 Functional Acknowledgement
Exchange Type	Whether this is for Individual Exchange or SHOP Exchange	"I" Individual Exchange "S" SHOP Exchange

3 EDI Implementation

3.1 Character Set

- As specified in the TR3, the basic character set includes uppercase letters, digits, space, and other special characters with the exception of those used for delimiters.
- All HIPAA segments and qualifiers must be submitted in UPPERCASE letters only.
- Suggested delimiters for the transaction are assigned as part of the trading partner set up.
- DC Exchange Representative will discuss options with trading partners, if applicable.
- To avoid syntax errors hyphens, parentheses, and spaces should not be used in values for identifiers. (Examples: Tax ID 123654321, SSN 123456789, Phone 8001235010)

3.2 834 Control Segments/Envelope

Trading partners should follow the Interchange Control Structure (ICS) and Functional Group Structure (GS) guidelines for HIPAA that are located in the HIPAA Implementation Guides. The following sections address specific information needed by the DC Exchange in order to process the ASC X12N/005010X220A1-834 Benefit Enrollment and Maintenance Transaction. This information will be used in conjunction with the ASC X12N/005010X220 Premium Payment Transaction TR3.

The DC Exchange will accept:

- Single ISA-IEA envelope within a single physical file.
- Single GS-GE envelope within a single ISA-IEA interchange.
- Multiple ST-SE envelopes within a single GS-GE functional group.

Table 6: Control Segments

Element Name	Element	Value
Interchange Control Header	ISA	
Authorization Information Qualifier	ISA01	"00"
Security Information Qualifier	ISA03	"00"
Security Information	ISA04	This data element will be blank
Interchange Sender ID Qualifier	ISA05	"ZZ"
Interchange Sender ID	ISA06	Sender's Federal Tax ID
Interchange ID Qualifier	ISA07	"ZZ"
Interchange Receiver ID	ISA08	Receiver's Federal Tax ID
Interchange Date	ISA09	Date of interchange
Interchange Time	ISA10	Time of interchange
Interchange Control Version Number	ISA12	00501
Interchange Control Number	ISA13	A unique control number assigned by DC Exchange. Note that manual problem resolution may require the re-transmission of an existing control number.
Interchange Acknowledgment Requested	ISA14	"1"

Element Name	Element	Value
Interchange Usage Indicator	ISA15	"P" Production Data "T" Test Data
Functional Identifier Code	GS01	"BE"
Application Sender's Code	GS02	Sender's Code (Usually, but not necessarily, the Sender's Federal Tax ID)
Application Receiver's Code	GS03	Receiver's Federal Tax ID

4   EDI 834 Supplemental Instructions

This section explains where the DC Exchange deviates from the published X12 834 EDI standards, such as extending loop definitions or constraining allowable codes. It also covers special circumstances where the DC Exchange has turned to non-EDI message exchange to support requirements beyond those envisioned under the standards.

4.1   Broker Demographic Data

The broker demographic transaction provides broker-related data to the Carriers via a batch process. The DC Exchange compiles broker data in an XML file under the following scenarios:

- New broker is accepted to the DC Exchange
- Updates to existing broker data
- Broker termination

The DC Exchange will post a Broker demographic file for Carrier access each business day. Carriers must download and process this content before processing the 834 EDI files, as the 834s may contain references to the new broker information. Table 7 shows specifications related to this transaction.

<p align="center">**Table 7: Broker Demographics Transaction Details**</p>

Interaction Model	Batch
File Name	BrokerData_yyyyMMddHHmm_<Carrier_ID>.xml.pgp
Frequency	Daily
Inbound File Format	XML file containing the demographics data
Outbound File Format	XML response indicating success/failure
Exchange Process	DC Exchange compiles data of all newly added brokers as well as of updated data of existing brokers into an XML file. The Carriers pick up the file, process it and then send appropriate XML response to DC Exchange.
Success	XML response with appropriate response code
Failure	XML response with appropriate error codes and description
Error Handling	Refer to Validation and Error Handling

Figure 1: 834 Broker Demographics Data to Carrier

Figure 1 Sequence:

1. DC Exchange sends Broker Demographics Data in an XML file to Carrier.
2. The Carrier successfully processes the XML before processing the 834 initial enrollment.
3. The Carrier sends success XML response.
4. In case of error processing the file, Carrier sends a Failure XML response.
5. DC Exchange resends the file.
6. In case of issues Carrier contacts DC Exchange support.

4.2   Employer Demographic Data

The employer demographic transaction provides employer/group-related data to the Carriers via a batch process. DC Exchange compiles the demographic data in an XML file in following scenarios:

- New employer/group being onboarded on DC Exchange.
- Updates to existing employer/group data.
- Employer/Group termination.

The DC Exchange will post Employer demographic file for Carrier access daily as this information becomes available. Carriers must download and process this information within one business day. On the next business day, Carriers will upload a confirmation XML file with the Carrier-assigned group ID and associated information. Once the DC Exchange processes this confirmation, 834 initial enrollment messages associated and referencing this new group will begin to post. Table 8 shows specifications related to this transaction.

Table 8: Employer Demographic Transaction Details

Interaction Model	Batch
File Name	EmployerData_yyyyMMddHHmm_<Carrier_ID>.xml.pgp
Frequency	Daily
Inbound File Format	XML file containing the demographics data
Outbound File Format	XML response indicating success/failure
Exchange Process	DC Exchange compiles data of all newly added employers/groups as well as of

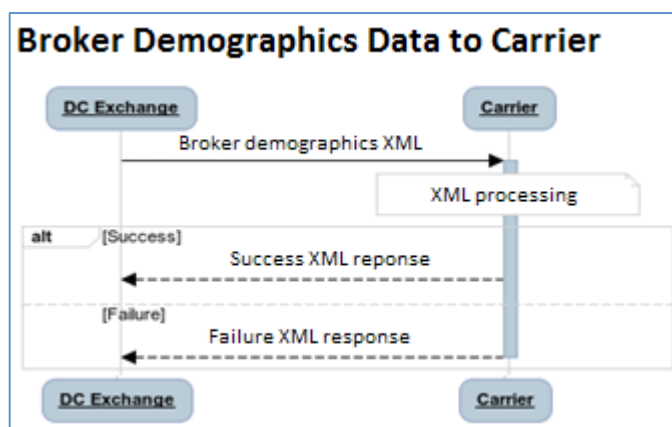|	
	updated data of existing employers/groups into an XML file. The Carriers pick up the file, process it and then send appropriate XML response to DC Exchange.
Success	XML response with appropriate response code
Failure	XML response with appropriate error codes and description
Error Handling	Refer to Validation and Error Handling
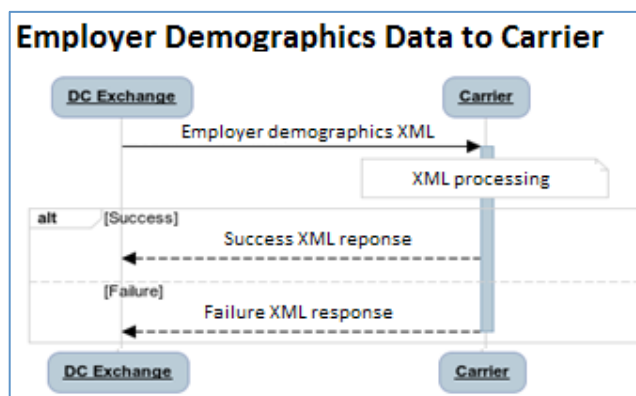
Figure 2: 834 Employer Demographics Data to Carrier

Figure 2 Sequence:

1. DC Exchange sends Employer Demographics Data in an XML file to Carrier.
2. The Carrier Successfully processes the XML before processing the 834 initial enrollments.
3. The Carrier Sends Success XML response.
4. In case of error processing the file Carrier sends a Failure XML response.
5. DC Exchange resends the file.
6. In case of issues Carrier contacts DC Exchange support.

4.3   Initial Enrollment

The DC Exchange will generate separate 834 files for initial enrollments and maintenance of enrollments. The intent is to simplify management and processing of carrier-produced effectuation notifications by separating them from maintenance files, which use a different approach to confirmation where necessary.

Enrollment 834 records are further subdivided as follows:

1. Individual enrollments in one file only
2. SHOP enrollments in one file for employer.

In other words, a separate SHOP enrollment file will be generated for each employer group.

The trigger to send an initial enrollment to the Carrier is an applicant is determined eligible by the DC Exchange, a QHP is selected; and the binder payment either cleared or flagged for invoice processing by Carrier. Table 9 shows specifications related to this transaction. Figure 3 is a sequence diagram that illustrates the initial enrollment process.

Table 9: Initial Enrollment Transaction Details

Interaction Model	Batch
File Name	E.g. 834_201305141422Z_CFBCI_INDIV_C_E_I.pgp
Frequency	Daily
Inbound File Format	EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the companion guide published by DC Exchange.
Outbound File Format	EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1)
Exchange Process	DC Exchange compiles all enrollment related data corresponding to the Carrier into an EDI X12 834 file format. Data is also customized *per the DC Exchange Benefit Enrollment Companion Guide*.
Success	Carrier sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. Carrier sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level.
Failure	Refer to Validation and Error Handling

Figure 3: 834 Initial Enrollment Sequence Diagram

Figure 3 Sequence:

1. DC Exchange sends EDI X12 834 Enrollment Data file to Carrier.
2. Carrier sends acknowledgment (TA1) back to the DC Exchange.
3. In case of syntactical errors, the Carrier sends an acknowledgment (TA1) along with errors.
4. Carrier processes the file and sends a functional acknowledgment (EDI X12 999) without error codes to the DC Exchange if there are no functional errors in the file.
5. In case of error scenario, the Carrier sends a functional acknowledgment (EDI X12 999) along with the error codes.
6. In case of no functional errors, the Carrier carries out enrollment effectuation process and sends an effectuation data file (EDI X12 834) to the DC Exchange.

Subscribers and Dependents must be sent as separate occurrences of Loop 2000 within the same file. The initial enrollment for the subscriber must be referenced before the initial enrollment for any of the subscriber's dependents. Similarly, life change events, such as adding a dependent to an existing policy, will be treated as a new enrollment with the existing subscriber listed before the new dependents.

Of special note, the DC Exchange has extended the 2700/2750 loops, as required to by CMS for FFE engagements. According to the FFE Guide the 2700 Loop – Member Reporting Categories Loop, a number of Member Reporting Categories, and associated information must be transmitted in 834. When there is no information to be sent, for example, it is an indication that the individual does not qualify for the given category. When the 2700 Loop is present, the 2750 will be sent and the DC Exchange will be in compliance with this directive supported by the following fields in the 2750 Loop:

- APTC amount (APTC category) NOTE: Sent when the member qualifies for APTC. If the member has elected no APTC amount, then zero shall be transmitted
- CSR amount (CSR amount category) **Note**: Sent when the member qualifies for CSR. If the member does not qualify then no CSR amount shall be sent.
- Premium amount (premium category) - For individual rated coverage, this is the individual premium rate. For family rated coverage, this is the family.
- Rating area used to determine premium amounts (premium category). DC does not use rating areas so this will never be transferred.
- Source Exchange ID (source category)
- Special Enrollment Period Reason (SEP category)
- Total individual responsibility amount (payment category)
- Total premium for the health coverage sent at the member level (premium category)
- Total employer responsibility amount (payment category) – SHOP

In addition to the above fields, the District Exchange will add: N102 value of "CARRIER TO BILL" that indicates the individual has chosen to have the Carrier collect the first month's premium.

Table 10 specifies the 834 initial enrollment message structures for transmission from the DC Exchange to Carrier.

Table 10: Initial Enrollment Supplemental Instructions (DC Exchange to Carrier)

Loop	Element	Element Name	Code	Instruction
Header	BGN	Beginning Segment		
	BGN08	Action Code	2	"Change" Used to identify a transaction of additions
Header	REF	Transaction Set Policy Number		There is never a unique ID number applicable to an entire transaction set.
Header	DTP	File Effective Date		Will transmit to indicate the date the information was gathered if that date is not the same as ISA09/GS04 date.
	DTP01	Date Time Qualifier	303	"Maintenance Effective." Date the enrollment information was collected by the exchange.
Header	QTY			Will transmit all three iterations of this segment for each for the qualifiers specified in QTY01.
Header	QTY01	Quantity Qualifier	TO	Transaction Set Control Totals
			DT	Dependent Total. Will transmit to indicate that the value conveyed in QTY02 represents total number of INS segments in this ST/SE set with INS01 = "N"
			ET	Employee Total. Will transmit to indicate that the value conveyed in QTY02 represents the total number of INS segments in this ST/SE set with INS01 = "Y"
1000A	N1	Sponsor Name		

Loop	Element	Element Name	Code	Instruction
	N103	ID Code Qualifier	24	Small Business. Small Business Market identifies the employer group.
			FI	Individual Market. Individual Market identifies the subscriber from the enrollment group, unless the subscriber is under-aged. If the subscriber is under-aged, identifies the responsible person.
1000B	N1	Payer		Identifies the carrier.
	N103	Identification Code	FI	Federal Taxpayer ID. Will transmit until the HPID is required.
			XV	Will transmit after the HPID is required. (Unique National Health Plan Identifier).
1000C	N1	TPA/Broker Name		
	N101	Entity Identifier Code	BO	Broker or Sales Office. Will transmit when Broker is involved in this enrollment or
			TV	Third Party Administrator (TPA). Will transmit when TPA is involved in this enrollment.
	N102	Name		TPA or Broker Name. Will transmit when Broker or TPA is involved in this enrollment.
	N103	Identification Code Qualifier	94	Will transmit. Code assigned by the organization that is the ultimate destination of the transaction set or
			FI	Federal Taxpayer's Identification Number or

Loop	Element	Element Name	Code	Instruction
			XV	Centers for Medicare and Medicaid Services Plan ID.
	N104	Identification Code		Code identifying a party or other code. - Will transmit when Broker or TPA is involved in this enrollment.
	N102	Name		TPA or Broker Name. Will transmit when Broker or TPA is involved in this enrollment.
2000	INS	Member Level Detail	2000	
	INS01	Response Code	Y	Yes – the individual is a subscriber
			N	No – the individual is a dependent
	INS02	Relationship Code		Will transmit member relationship codes when known.
	INS03	Maintenance Type Code	021	"Addition"
	INS04	Maintenance Reason Code	EC	"Member Benefit Selection" Will transmit when member has selected a Carrier.
	INS05	Benefit Status Code	A	"Active"
	INS08	Employment Status Code	AC	"Active"
2000	REF	Subscriber Identifier		

Loop	Element	Element Name	Code	Instruction
	REF02	Subscriber Identifier		The Exchange Assigned ID of the primary coverage person.
2000	REF	Member Supplemental Identifier		
	REF01	Reference Identification Qualifier	17	"Client Reporting Category" – The Exchange Assigned Member ID will be conveyed in REF02.
2100A	NM1	Member Name		
	NM109	Member Identifier		Will transmit the member's SSN when known.
2100A	PER	Member Communications Numbers		
	PER03	Communication Number Qualifier		Will transmit three communication contacts – home phone, work phone, cell phone, or E-mail address when the information is available. Communication contacts will be sent in this order: 1st – Primary Phone ("TE") 2nd – Secondary Phone ("AP") 3rd – Preferred Communication Method ("EM" for E-mail or "BN" for a phone number for receiving text messages). If no preferred communication method is chosen, the third communication contact will not be sent.
2100A	N3	Member Residence Street Address		

Loop	Element	Element Name	Code	Instruction
2100A	N4	Member City, State, ZIP Code		
	N404	Country Code		Will transmit Country of Residence when available.
	N406	Location Identifier		County of Residence will not be transmitted.
2100A	EC	Employment Class		This segment will never be transmitted.
2100A	ICM	Member Income		This segment will never be transmitted.
2100A	AMT	Member Policy Amounts		This segment will never be transmitted.
2100A	HLH	Member Health Information		This segment will never be transmitted.
2100A	LUI	Member Language		This segment will never be transmitted.
2100B		Incorrect Member Name Loop		This loop does not apply to initial enrollments.
2100D		Member Employer Loop		This loop will never be transmitted.
2100E		Member School Loop		This loop will never be transmitted.
2100F		Custodial Parent Loop		Because minors are subscribers in their own right, custodial parent information will always be sent for minor subscribers, when known.

Loop	Element	Element Name	Code	Instruction
2100G		Responsible Person Loop		The Custodial Parent and the Responsible Person loops may both be transmitted for an enrollment.
2100G	PER	Responsible Person Communication Numbers		
	PER03	Communication Number Qualifier		Will transmit three communication contacts – home phone, work phone, cell phone, or email address when the information is available. Communication contacts will be sent in the following order: 1st – Primary Phone ("TE") 2nd – Secondary Phone ("AP") 3rd – Preferred Communication Method ("EM" for E-mail or "BN" for a phone number for receiving text messages). If no preferred communication method is chosen, the 3rd communication contact will not be sent.
2100H		Drop-Off Location Loop		This loop will never be transmitted.
2200		Disability Information Loop		This loop will never be transmitted.
2300	HD	Health Coverage		
	HD03	Insurance Line Code	348	"Benefit Begin" – On initial enrollment the effective date of coverage will be provided.
2300	REF	Health Coverage Policy Number		

Loop	Element	Element Name	Code	Instruction
	REF01	Reference Identification Qualifier	CE	Individual. "Class of Contract Code" – Carrier ID Purchased is the Assigned Plan Identifier. This is represented as the HIOS Plan ID Component + subcomponent.
			E8	Small Business. "Service Contract (Coverage) Number" Will transmit Employer Group Number in the associated REF02 element.
			1L	Will transmit when the Exchange Assigned Policy Identifier will be conveyed in the associated REF02 element.
2300	REF	Prior Coverage Months		This segment will never be transmitted.
2300	REF	Identification Card		This segment will never be transmitted.
2310	NM	Provider Information Loop		This segment will be transmitted when a provider NPI is available.
	NM101	Entity Identifier Code	P3	"Primary Care Provider"
	NM108	Identification Code Qualifier	XX	Centers for Medicare and Medicaid Services National Provider Identifier
	NM109	Identification Code		The NPI will be transmitted as entered by the subscriber on enrollment.
	NM110	Entity Relationship Code	72	"Unknown" The exchange will not specify whether the member is an existing patient of the provider.
2320		Coordination of Benefits Loop		This loop will be transmitted when other insurance coverage has been identified.

Loop	Element	Element Name	Code	Instruction
2330		Coordination of Benefits Related Entity Loop		This loop will be transmitted when other insurance coverage has been identified.
2700		Member Reporting Categories Loop		This loop will be transmitted when additional premium category reporting is appropriate.
2750	N1	Reporting Category		See Sections 9.5 and 9.6 of the CMS guide for explicit instructions related to the 2750 loop. This loop will be transmitted only when the 2700 loop exists.

4.4 Enrollment Effectuation

An effectuated 834 is created by the Carrier and sent to the DC Exchange for successfully processed 834 initial enrollment transactions. Also, additions of dependent members to an existing subscriber policy will require an Effectuation. Table 11 shows specifications related to this transaction.

The Carrier must return the original information transmitted on the Initial Enrollment transaction, in addition to the information detailed in Table 12.

Table 11: Enrollment Effectuation Transaction Details

Interaction Model	Batch
File Name	E.g. 834_201305141422Z_CFBCI_INDIV_C_EF_I.pgp
Frequency	Daily
Inbound File Format	EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1)
Outbound File Format	EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the companion guide published by DC Exchange.
Exchange Process	Carriers return all the information transmitted on the initial enrollment transaction in addition to effectuation related information. Data is also customized *per the DC Exchange Benefit Enrollment Companion Guide*.
Success	DC Exchange sends EDI X12 TA1 to Carrier as an acknowledgement after no errors are found

	at the interchange level. DC Exchange sends EDI X12 999 to Carrier as an acknowledgement after no errors are found at the functional group level.
Failure	Validation and Error Handling

Table 12: Initial Enrollment Supplemental Instructions (Carrier to DC Exchange)

Loop	Element	Element Name	Code	Instruction
Header	BGN	Beginning Segment		
	BGN06	Original Transaction Set Reference Number		Transmit the value from BGN02 in the initial enrollment transaction.
Header	QTY	Transaction Set Control Totals		If the transaction set control totals sent with the Initial Enrollment transaction are not accurate for this confirmation/effectuation, transmit accurate totals instead of the values received in the Initial Enrollment transaction.
	QTY01	Quantity Qualifier	TO	Total - Will transmit to indicate that the value conveyed in QTY02 represents the total number of INS segments in this ST/SE set. It is required for all transactions.
			DT	Dependent Total. - Will transmit to indicate that the value conveyed in QTY02 represents the total number of INS segments in this ST/SE set with INS01 = "N"

Loop	Element	Element Name	Code	Instruction
			ET	Employee Total – Will transmit to indicate that the value conveyed in QTY02 represents the total number of INS segments in this ST/SE set with INS01 = "Y"
2000	INS	Member Level Detail		
	INS03	Maintenance Type Code	021	"Addition"
	INS04	Maintenance Reason Code	28	"Initial Enrollment"
	REF	Member Supplemental Identifier		
2000	REF	Member Supplemental Identifier		
	REF01	Reference Identification Qualifier	23	Transmit with the Carrier Assigned Member ID conveyed in REF02.
			ZZ	Transmit with the Carrier Assigned Subscriber ID conveyed in REF02.
2100B		Incorrect Member Name Loop		Do not transmit this loop unless it was included in the 834 transaction that is being confirmed.
2300	DTP	Health Coverage Dates		.

Loop	Element	Element Name	Code	Instruction
	DTP01	Date Time Qualifier	348	"Benefit Begin" The Actual Enrollment Begin Date must be transmitted when confirming initial enrollment transactions.
	REF	Health Coverage Policy Number		
	REF01	Reference Identification Qualifier	X9	Transmit with the Carrier assigned Health Coverage Purchased Policy Number conveyed in the associated REF02 element.
2700		Member Reporting Categories Loop		One iteration of this loop is required for all confirmations.
2750	N1	Reporting Category		See Sections 9.5 and 9.6 of the CMS guide for explicit instructions related to the 2750 loop.
	N102	Member Reporting Category Name		"ADDL MAINT REASON"
2750	REF	Reporting Category Reference		
	REF01	Reference Identification Qualifier	17	"Client Reporting Category"
	REF02	Member Reporting Category Reference ID		Transmit this text: "CONFIRM"

4.5   Change Files
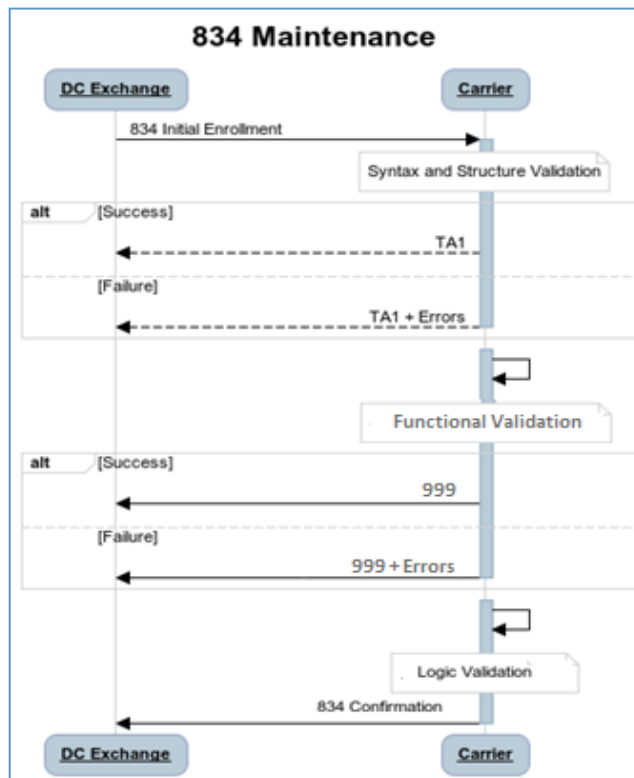
Figure 4: 834 Maintenance Sequence Diagram

Figure 4 Sequence:

1. DC Exchange sends EDI X12 834 Maintenance Data file to Carrier.
2. Carrier sends an acknowledgment (TA1) back to the DC Exchange.
3. In case of syntactical errors the Carrier sends an acknowledgment (TA1) along with errors.
4. Carrier processes the file and sends a functional acknowledgment (EDI X12 999) without error codes to the DC Exchange if there are no functional errors in the file.
5. In case of error scenario, the Carrier sends a functional acknowledgment (EDI X12 999), along with the error codes.
6. In case of no functional errors the Carrier further processes the file and sends a confirmation file (EDI X12 834) to the DC Exchange.

4.6   Cancellation

An 834 cancellation transaction will be used when coverage is cancelled prior to the effective date of enrollment. The DC Exchange or the Carrier may initiate a cancellation.

A cancellation may be initiated any time prior to the effective date of the initial coverage. Situations where the DC Exchange may cancel an enrollment include: an individual obtaining coverage through an employer prior to the start of coverage and requesting a cancellation, or an individual moving out of a coverage area before coverage is

started. Note that moving out of the coverage area does not immediately cause ineligibility for DC Health Link coverage.

A Carrier may initiate a cancellation when the applicant member requests billing by the Carrier and doesn't make payment within the grace period. Table 13 shows specifications related to this transaction. Information specific to the DC Exchange implementation of cancellation transactions is outlined in Table 14.

Table 13: Enrollment Cancellation Transaction Details

Interaction Model	Batch
File Name	E.g. 834_201305141422Z_CFBCI_INDIV_C_M_I.pgp
Frequency	Daily
Inbound File Format	EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the companion guide published by DC Exchange.
Outbound File Format	EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1)
Exchange Process	DC Exchange/Carrier compiles all cancellation related data corresponding to the Carrier into an EDI X12 834 file format. Data is also customized per the DC Exchange Benefit Enrollment Companion Guide.
Success	Receiving system sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. Receiving system sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level.
Failure	Refer to Validation and Error Handling

Table 14: Enrollment Cancellation Instructions

Loop	Element	Element Name	Code	Instruction
2000	INS	Member Level Detail		
	INS03	Maintenance Type Code	024	"Cancellation or Termination"
	INS04	Maintenance Reason Code		Any valid Maintenance Reason Code may be used.
	REF	Subscriber Identifier		
	REF02	Subscriber Identifier		The Exchange Assigned ID of the primary coverage person.

Loop	Element	Element Name	Code	Instruction
	REF	Member Supplemental Identifier		Transmit IDs shown below when they were present on the Initial Enrollment.
	REF01	Reference Identification Qualifier	17	When the Exchange Assigned Member ID is conveyed in REF02.
			23	When the Carrier Assigned Member ID is conveyed in REF02.
	DTP	Member Level Dates		
	DTP01	Date Time Qualifier	357	Eligibility End Date.
	DTP03	Status Information Effective Date		The eligibility end date of the termination must be transmitted.
2300	DTP	Health Coverage Dates		
	DTP01	Date Time Qualifier	349	Benefit End Date.
2700		Member Reporting Categories Loop		One iteration of this loop is required for all cancellations.
2750	N1	Reporting Category		See Sections 9.5 and 9.6 of the CMS guide for explicit instructions related to the 2750 loop.
	N102	Member Reporting Category Name		"ADDL MAINT REASON"
	REF	Reporting Category Reference		

Loop	Element	Element Name	Code	Instruction
	REF01	Reference Identification Qualifier	17	"Client Reporting Category"
	REF02	Member Reporting Category Reference ID		Transmit this Text: "CANCEL"

4.7   Termination

A termination transaction can be initiated by either the DC Exchange or the Carrier. Termination transactions are initiated in situations when enrollment will end on or after the effective date of coverage.

The DC Exchange may initiate a termination transaction for any valid reason; however the Carrier is only permitted to initiate a termination under certain circumstances, such as non-payment of coverage, death of the member, plan decertification, or fraud.

When coverage is terminated, the benefit end-dates must always be either the end of a month or back to the first day of coverage. When termination is voluntary, it will be prospective. Involuntary terminations are either retrospective (non-payment, death, or fraud), or prospective for loss of eligibility or change in plans. Table 15 shows specifications related to this transaction. Information specific to the DC Exchange implementation of termination transactions is outlined in

Table 16.

Table 15: Enrollment Termination Transaction Details

Interaction Model	Batch
File Name	E.g. 834_201305141422Z_CFBCI_INDIV_C_M_I.pgp
Frequency	Daily
Inbound File Format	EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the companion guide published by DC Exchange.
Outbound File Format	EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1)
Exchange Process	DC Exchange/Carrier compiles all termination related data corresponding to the Carrier into an EDI X12 834 file format. Data is also customized *per the DC Exchange Benefit Enrollment Companion Guide.*
Success	Receiving system sends EDI X12 TA1 to the transmitting system as an acknowledgement after no errors are found at the interchange level. Receiving system sends EDI X12 999 to the transmitting system as an acknowledgement after no errors are found at the functional group level.
Failure	Refer to Validation and Error Handling

Table 16: Enrollment Termination Instructions

Loop	Element	Element Name	Code	Instruction
2000	INS	Member Level Detail		
	INS03	Maintenance Type Code	024	"Cancellation or Termination"
	INS04	Maintenance Reason Code	59 03	DC Exchange <-- Carrier. Carriers may terminate coverage only for 59 Non-Payment, 03 Death. Future versions of this guide will include forthcoming CMS Maintenance Reason Codes for Fraud and Plan Decertification
	INS04	Maintenance Reason Code (DC Exchange → Carrier)		Any valid Maintenance Reason Code may be used.
	REF	Subscriber Identifier		
	REF02	Subscriber Identifier		The Exchange Assigned ID of the primary coverage person.
	REF	Member Supplemental Identifier		Transmit IDs shown below when they were present on the Initial Enrollment.
	REF01	Reference Identification Qualifier	17	When the Exchange Assigned Member ID is conveyed in REF02.
			23	When the Carrier Assigned Member ID is conveyed in REF02.
	DTP	Member Level Dates		

Loop	Element	Element Name	Code	Instruction
	DTP01	Date Time Qualifier	357	Eligibility End Date
	DTP03	Status Information Effective Date		The eligibility end date of the termination must be transmitted.
2300	DTP	Health Coverage Dates		
	DTP01	Date Time Qualifier	349	Benefit End Date
2700		Member Reporting Categories Loop		One iteration of this loop is required for all cancellations.
2750	N1	Reporting Category		See Sections 9.5 and 9.6 of the CMS guide for explicit instructions related to the 2750 loop.
	N102	Member Reporting Category Name		”ADDL MAINT REASON”
	REF	Reporting Category Reference		
	REF01	Reference Identification Qualifier	17	"Client Reporting Category"
	REF02	Member Reporting Category Reference ID		Transmit this Text: "TERM"

4.8   Member Reporting Categories Loop

The DC Exchange will report APTC, CSR, and small business employer contribution amounts to Carriers in the 834 Member Reporting Categories Loop using the mechanism identified in the CMS Companion Guide for the Federally Facilitated Exchange (FFE). Instructions for reporting these values can be found in Sections 9.5 and 9.6 of the CMS Companion Guide. Table 17 shows specifications related to this transaction.

Table 17: Member Reporting Categories Transaction Details

Interaction Model	Batch
File Name	E.g. 834_201305141422Z_CFBCI_C_M_I.pgp
Frequency	Daily
Inbound File Format	EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the DC Exchange companion guide and CMS companion guide.
Outbound File Format	EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1)
Exchange Process	DC Exchange compiles all APTC, CSR, and small business employer contribution amount data corresponding to the Carrier into an EDI X12 834 file format. Data is also customized *per the DC Exchange Benefit Enrollment Companion Guide*.
Success	Carrier sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. Carrier sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level.
Failure	Refer to Validation and Error Handling

4.9   Change Transactions

The DC Exchange will issue a standard 834 Change transaction to update information that has changed. Examples of this would be changes in member name and/or contact information.

The DC Exchange will be the system of record for member information. Consequently, Carriers will not initiate a Change transaction.

Table 18 shows specifications related to this transaction.

Table 18: Change Transaction Details

Interaction Model	Batch
File Name	E.g. 834_201305141422Z_CFBCI_C_M_I.pgp
Frequency	Daily
Inbound File Format	EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the DC Exchange companion guide.
Outbound File Format	EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1)
Exchange Process	DC Exchange compiles all the changes to enrollment data corresponding to the Carrier into an EDI X12 834 file format. Data is also customized *per the DC Exchange Benefit Enrollment Companion Guide*.
Success	Carrier sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. Carrier sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level.
Failure	Refer to Validation and Error Handling

4.10 Individual Market Re-Enrollment Supplemental Instructions

A re-enrollment transaction is generated when an enrollee who has been terminated needs to be re-enrolled.

A potential reason for this transaction would be when the subscriber no longer is eligible and the remaining members of the enrollment group need to be re-enrolled under a new subscriber. In this situation, the previous Carrier subscriber identifier will be conveyed as a member supplemental identifier, accompanied by the Exchange generated subscriber identifier for the new subscriber. Only the DC Exchange can initiate Re-Enrollment transactions. Table 19 shows specifications related to this transaction. Information specific to the DC Exchange implementation of individual market re-enrollment transactions is outlined in Table 20.

Table 19: Individual Market Re-Enrollment Transaction Details

Interaction model	Batch
File Name	E.g. 834_201305141422Z_CFBCI_C_M_I.pgp
Frequency	Daily
Inbound File Format	EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the DC Exchange companion guide.
Outbound File Format	EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1)
Exchange Process	DC Exchange compiles all the individual market re-enrollment data corresponding to the Carrier into an EDI X12 834 file format. Data is also customized *per the DC Exchange Benefit Enrollment Companion Guide*.
Success	Carrier sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. Carrier sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level.
Failure	Refer to Validation and Error Handling

Table 20: Re-enrollment Instructions

Loop	Element	Element Name	Code	Instruction
2000	INS	Member Level Detail		
	INS04	Maintenance Reason Code	41	"Re-enrollment"
	REF	Member Supplemental Identifier		Transmit IDs shown below when they were present on the Initial Enrollment.

Loop	Element	Element Name	Code	Instruction
	REF01	Reference Identification Qualifier	Q4	"Prior Identifier Number." - When the previous Carrier Assigned Subscriber ID will be conveyed in REF02.

4.11 Reinstatement

A Reinstatement transaction is generated when an enrollee who has been cancelled or terminated needs to be reinstated. For example, eligibility has terminated and the customer appeals after termination has already taken effect. Table 21 shows specifications related to this transaction.

Except as noted in Table 22, the Reinstatement transaction will contain all the information transmitted on the Initial Enrollment Transaction.

Table 21: Reinstatement Transaction Details

Interaction Model	Batch
File Name	E.g. 834_201305141422Z_CFBCI_C_M_I.pgp
Frequency	Daily
Inbound File Format	EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the DC Exchange companion guide.
Outbound File Format	EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1)
Exchange Process	DC Exchange compiles all the reinstatement related data corresponding to the Carrier into an EDI X12 834 file format. Data is also customized *per the DC Exchange Benefit Enrollment Companion Guide*.
Success	Carrier sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. Carrier sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level.
Failure	Refer to Validation and Error Handling

Table 22: Reinstatement Instructions

Loop	Element	Element Name	Code	Instruction
2000	INS	Member Level Detail		

Loop	Element	Element Name	Code	Instruction
	INS04	Maintenance Reason Code	41	In the context of a Reinstatement, the "Re-enrollment" code will be used.

4.12 Change in Health Coverage

DC Exchange will send coverage level change transactions to the Issuer when an enrollee's health coverage level changes. The coverage level change transaction will convey a health coverage termination for the old coverage level. Table 23 shows specifications related to this transaction.

Table 23: Change in Health Coverage Transaction Details

Interaction Model	Batch
File Name	E.g. 834_201305141422Z_CFBCI_C_M_I.pgp
Frequency	Daily
Inbound File Format	EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the DC Exchange companion guide.
Outbound File Format	EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1)
Exchange Process	DC Exchange compiles all the reinstatement related data corresponding to the Carrier into an EDI X12 834 file format. Data is also customized *per the DC Exchange Benefit Enrollment Companion Guide*.
Success	Carrier sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. Carrier sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level.
Failure	Refer to Validation and Error Handling

4.13 Termination Due to Address Change

The DC Exchange will send two transactions to the Carrier when a change of address results in a termination. The first transaction will communicate the change of address and the second will initiate the termination. Table 24 shows specifications related to this transaction.

Table 24: Termination Due to Address Change Transaction Details

Interaction Model	Batch
File Name	E.g. 834_201305141422Z_CFBCI_C_M_I.pgp
Frequency	Daily
Inbound File Format	EDI X12 834 - Benefit Enrollment & Maintenance (005010220A1) as format per the DC Exchange companion guide.
Outbound File Format	EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1)
Exchange Process	DC Exchange compiles all the data related to coverage termination due to address change in respect to the Carrier into an EDI X12 834 file format. Data is also customized *per the DC Exchange Benefit Enrollment Companion Guide*.
Success	Carrier sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. Carrier sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level.
Failure	Refer to Validation and Error Handling

5   Audit/Reconciliation

The DC Exchange will periodically generate and send to the Carrier a standard 834 "audit or compare" file with a Maintenance Type Code of "030," which will contain all enrollment data for the active enrollments present on that day.

Carriers will process the 834 audit file, generating and sending back to the DC Exchange a report containing differences between Carrier and DC Exchange's records. The DC Exchange and Carrier will then collaboratively resolve these discrepancies. The report structure and format will follow the Reconciliation Report template.

In practice, the audit and reconciliation process will take place on a monthly basis. However, in the initial stages of operation, reconciliation will occur on a weekly basis. The goal is to mitigate risk through early identification of anomalies and exceptions, and to minimize the impact of issues through competent and rapid response. Table 25 shows specifications related to this transaction.

Table 25: Audit/Reconciliation Transaction Details

Interaction Model	Batch
File Name	E.g. 834_201305141422Z_CFBCI_C_F_I.pgp
Frequency	Weekly (for first three months after 10/1/2013), Monthly thereafter
Inbound File Format	EDI X12 834 – Benefit Enrollment & Maintenance (005010220A1) as per the companion guide published by DC Exchange.
Outbound File Format	Reconciliation report

Exchange Process	DC Exchange compiles data of all enrollees corresponding to the Carrier into an EDI X12 834 file format. Data is also customized *per the DC Exchange Benefit Enrollment Companion Guide*.
Success	Carrier sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. Carrier sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level.
Failure	*Refer to section 12.2.4 834 Error Transaction*

6 Validation and Error Handling

All EDI transactions on the DC Exchange will use the X12 TA1/999 interchange and implementation acknowledgement protocols. For details on error handling process refer to <u>DC Exchange Transaction Error Handling Guide.</u>

7 CMS Reporting

7.1 Initial Enrollment and Effectuation to CMS

The exchange rule requires that Carriers reconcile enrollment files with DC Exchange at least once per month and that DC Exchange reconcile enrollment information with Carriers and CMS on a monthly basis.

The DC Exchange will send the individual enrollment file to CMS only for the individuals who did not make payments to DC Exchange directly. The exchanges with DC Exchange and CMS are described below in the following figures.
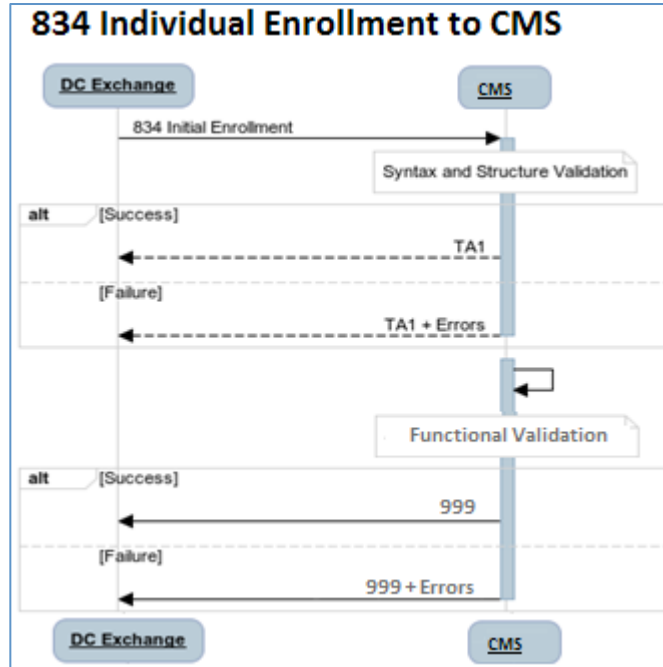
Figure 5: 834 Individual Enrollments to CMS Sequence Diagram

Figure 5 Sequence:

1. DC Exchange sends EDI X12 834 Enrollment Data file to CMS.
2. CMS sends an acknowledgment (TA1) back to the DC Exchange.
3. In case of syntactical errors CMS sends an acknowledgment (TA1) along with errors.
4. CMS processes the file and sends a functional acknowledgment (EDI X12 999) without error codes to the DC Exchange if there are no functional errors in the file.
5. In case of error scenario, CMS sends a functional acknowledgment (EDI X12 999), along with the error codes.
6. In case of no functional errors the CMS further processes the file.
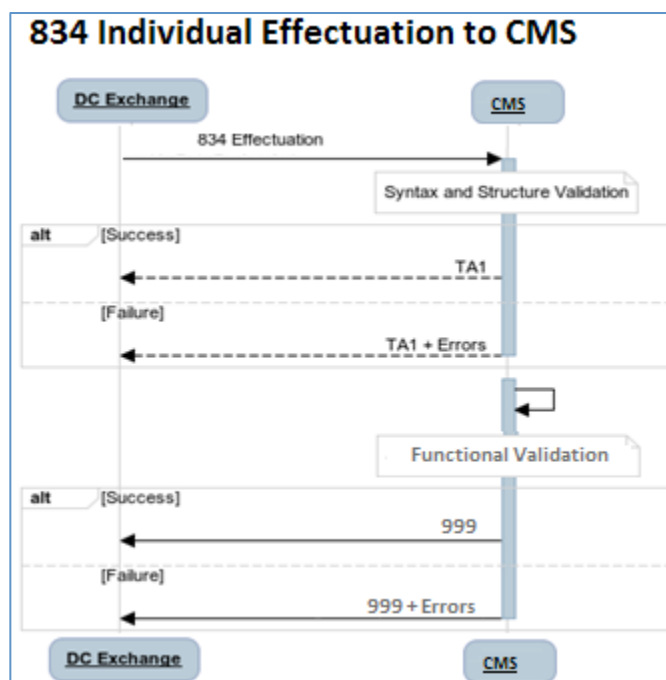
Figure 6: 834 Individual Effectuation to CMS Sequence Diagram

Figure 6 Sequence:

1. DC Exchange receives Effectuation file from Carrier.
2. DC Exchange re-envelopes the Effectuation file.
3. DC Exchange sends EDI X12 834 Effectuation file to CMS.
4. CMS sends an acknowledgment (TA1) back to the DC Exchange.
5. In case of syntactical errors CMS sends an acknowledgment (TA1) along with errors.
6. CMS processes the file and sends a functional acknowledgment (EDI X12 999) without error codes to the DC Exchange if there are no functional errors in the file.
7. In case of error scenario, CMS sends a functional acknowledgment (EDI X12 999), along with the error codes.
8. In case of no functional errors the CMS further processes the file.

PREMIUM PAYMENT (820)
COMPANION GUIDE

July 17, 2013

Version 1.0

Revision History

Date	Version	Changes	Author	Approved by
05-22-2013	1.0a	Baseline	Vik Kodipelli	
05-28-2013	1.1a	Made changes to few sections to include DC specific information	Yesh Somashekhara	
06/21/2013	1.2a	Made several generic changes and added to Trading Partner, File Types and Frequency, EDI Acknowledgements and Confirmations, Error File – DC Exchange to Carrier, Carrier to DC Exchange, File Handling, Error Handling, and Encryption	Sara Cormeny	
07/17/2013	1.0	Draft, Reset document version to 1.0 to coordinate across all guides.	Sara Cormeny Dan Thomas	Saadi Mirza Yeshwanth Somashekhara David Sloand Gautham Palani Apurva Chokshi Trunal Kamble

Table of Contents

List of Tables

List of Figures

1   Introduction

1.1   Purpose and Scope

This document provides information about Carrier Integration when the District of Columbia Health Benefit Exchange (referred to as "DC HBX" or "DC Exchange") is the aggregator of payment data for carriers or the recipient of payment data from carriers.

This document describes the use and exchange of exchange of premium payment messages that will be used for both the Individual and Small Business Health Options Program (SHOP) markets.

1.2   Intended Audience

This document is written for system architects, EDI developers, network engineers and others who are involved in the integration program of Carrier systems with DC Exchange.

1.3   Background of DC Health Exchange

On March 23, 2010, the Patient Protection and Affordable Care Act was signed into law.   A key provision of the law requires all states to participate in a Health Benefit Exchange beginning January 1, 2014.   The District of Columbia declared its intention to establish a state-based health benefit exchange in 2011 with the introduction and enactment of the Health Benefit Exchange Authority Establishment Act of 2011, effective March 3, 2012 (D.C. Law 19- 0094).

The Health Benefit Exchange Authority Establishment Act of 2011 establishes the following core responsibilities for the Exchange:

1. Enable individuals and small employers to find affordable and easier-to understand health insurance
2. Facilitate the purchase and sale of qualified health plans
3. Assist small employers in facilitating the enrollment of their employees in qualified health plans
4. Reduce the number of uninsured
5. Provide a transparent marketplace for health benefit plans
6. Educate consumers
7. Assist individuals and groups to access programs, premium assistance tax credits, and cost-sharing reductions

The DC Exchange is responsible for the development and operation of all core Exchange functions including the following:

1. Certification of Qualified Health Plans and Qualified Dental Plans
2. Operation of a Small Business Health Options Program
3. Consumer support for coverage decisions
4. Eligibility determinations for individuals and families
5. Enrollment in Qualified Health Plans
6. Contracting with certified carriers
7. Determination for exemptions from the individual mandate

1.4   Trading Partner Agreement

A Trading Partner Agreement (TPA) is created between participants in Electronic Data Interchange (EDI) file exchanges. All trading partners who wish to exchange 5010 transaction sets electronically to/from DC Exchange via the ASC X12N 820, Payroll Deducted and Other Group Premium Payment for Insurance Products (820) (Version 005010X220A1) and receive corresponding EDI responses, must execute a TPA and successfully complete Trading Partner testing to ensure their systems and connectivity are working correctly prior to any production activity.

1.5   Regulatory Compliance

The DC Exchange will comply with the data encryption policy as outlined in the HIPAA Privacy and Security regulations regarding the need to encrypt health information and other confidential data. All data within a transaction that are included in the HIPAA definition of Electronic Protected Health Information (ePHI) will be subject to the HIPAA Privacy and Security regulations, and DC Exchange will adhere to such regulations and the associated encryption rules. All Trading Partners also are expected to comply with these regulations and encryption policies. (Please refer to the DC Exchange Carrier Onboarding Document for additional information).

1.6   Key Terms

The following are definitions for terms and acronyms used in this document.

Table 1: Key Terms

ACA	Affordable Care Act
APTC	Advance Payments of the Premium Tax Credit
ASC	Accredited Standards Committee
Cancellation of Health Coverage	End health coverage prior to the health coverage effective date. (Cancellation = Prior to effective date of coverage Termination = After effective date of coverage)
CCIIO	Center for Consumer Information and Insurance Oversight
CG	Companion Guide
CMS	Centers for Medicare & Medicaid Services
CSR	Cost-Sharing Reduction
EDI	Electronic Data Interchange

EDS	Enrollment Data Store
EFT	Enterprise File Transfer
FEPS	Federal Exchange Program System
FF-SHOP	Federally Facilitated Small Business Health Option Program
FFE/FFM	Federally Facilitated Exchange/Marketplace operated by HHS
HHS	Department of Health and Human Services
HIPAA	Health Insurance Portability and Accountability Act of 1996
Hub	Data Services Hub Referred to as the Hub
IG	Implementation Guide
PHS	Public Health Service
QHP	Qualified Health Plan
MEC	Minimum Essential Coverage
SBE	State-Based Exchange
SFTP	Secure File Transfer Protocol
SHOP	Small Business Health Option Program
Termination of Health Coverage	Terminate (end-date) health coverage after the health coverage effective date. (Cancellation = Prior to effective date of coverage Termination = After effective date of coverage)
Companion Guide Technical Information	The Technical Information (TI) section of the ASC X12 Template format for a Companion Guide which supplements an ASC X12 Technical Report Type 3 (TR3)

(TI)	
TR3	Type 3 Technical Report
XOC	eXchange Operational Support Center

1.7 Related Resources

This Premium Payment Companion Guide is one in a series of documents that describes and specifies communication between the Exchange and carriers. Below is a list of related guides and specifications. Current versions of these resources may be obtained at the DC Health Benefit Exchange Web site (see How to Contact Us).

Table 2: Related Resources

Resource	Description
CMS Companion Guide for the Federally Facilitated Exchange (FFE)	Provides information on usage of 834 transaction based on 005010X220 Implementation Guide and its associated 005010X220A1 addenda
Trading Partner Agreements (TPA)	Outlines the requirements for the transfer of EDI information between a Carrier and DC Exchange
DC Exchange Carrier Onboarding Document	Contains all the information required for Carrier to connect and communicate with the DC Exchange, i.e. machine addresses, security protocols, security credentials, encryption methods
DC Exchange Carrier Integration Manual	Provides a comprehensive guide to the services offered by DC Exchange
DC Exchange Benefit Enrollment Companion Guide	Provides technical information on 834 transactions supported by DC Exchange
DC Exchange Carrier Testing Document	Contains the testing strategy for DC Exchange – Carriers integration
DC Exchange Transaction Error Handling Guide	Provides details on exchange message validation and error handling
Employer Demographic XSD	XML schema definition for exchanging Employer Demographic information
Broker Demographic XSD	XML schema definition for exchanging Broker Demographic information
Reconciliation Report Template	Excel file template for Carriers to report and resolve discrepancies between Carrier and DC Exchange subscriber databases

1.8 How to Contact Us

The DC Exchange maintains a Web site with Trading Partner-related information along with email and telephone support:

- **Web**: http://dchbx.com/page/carrier-information
- **Email**: XXXX@XXX.com
- **Phone**: 1-XXX-XXX-XXXX

2 Electronic Communication with the DC Exchange

The DC Exchange will use EDI X12 standard formats in combination with non-EDI custom files to support the exchange of necessary information with Carriers.

2.1 EDI Standards Supported

The DC Exchange uses the EDI ASC X12N standard formats for exchanging benefit enrollment and premium payment remittance information. The specifications and versions are as follows:

Specification	Version
EDI X12 834	005010X220A1
EDI X12 820	005010X306
EDI X12 TA1	005010231A1: Interchange Acknowledgement
EDI X12 999	005010231A1: Implementation Acknowledgement

2.2 SNIP Level Validation

The DC Exchange and Carriers will follow the SNIP 1 and SNIP 2 edits mandated by HIPAA.

WEDI SNIP Level 1: EDI Syntax Integrity Validation Syntax errors, also referred to as Integrity Testing, targeted at the file level. This level verifies that valid EDI syntax for each type of transaction has been submitted. The transaction level will be rejected with a TA1 or 999 and sent back to the submitter.

Examples of these errors include, but are not limited to:

1. Date or time is invalid.
2. Telephone number is invalid.
3. Data element is too long.

WEDI SNIP Level 2: HIPAA Syntactical Requirement Validation. This level is for HIPAA syntax errors. This level is also referred to as Requirement Testing. This level will verify that the transaction sets adhere to HIPAA implementation guides.

Examples of these errors include, but are not limited to:

1. Invalid Social Security Number.
2. Missing/Invalid Patient information.
3. Patient's city, state, or zip is missing or invalid.
4. Invalid character or data element.

2.3   Connecting to the DC Exchange

The DC Exchange publishes secure Internet resources that a Carrier may access to exchange electronic information. Under the Trading Partner setup process, a Carrier completes the DC Exchange Onboarding Document.

The Onboarding Document collects information about Carrier technical contacts, network details and other information necessary to establish secure communication. Based on this information, the DC Exchange will configure networks, create credentials, generate keys and forward these to the Carrier along with information necessary to connect to DC Exchange resources.

2.4   File Transfer and Security

The DC Exchange uses Pretty Good Privacy (PGP) to provide a secured method of sending and receiving information between two parties. Using PGP, sensitive information in electronic files is protected during transmission over the open Internet. The DC Exchange will administer and issue PGP keys to Carriers that provide appropriate access to exchange file and enable email-based communications.

The DC Exchange provides a landing zone for the placement of incoming or outgoing files. This landing zone is a secured environment where each Carrier can conduct private transactions with the DC Exchange. The Carrier will use SSH FTP protocol to transfer files to and from the landing zone.

The DC Exchange will also support SSH SMTP services. Carriers and the Exchange can use this to send email messages that contain private or sensitive content.

2.5   File Types and Frequency

This document describes the use of 820 messages that will be used for both the Individual and Small Business Health Options Program (SHOP) markets as outlined below.

- Premium Remittance – 820 Messages used by DC Exchange to notify Carrier regarding receipt of payments of initial binder payments from individuals.
- Premium Remittance – 820 Messages used by Carrier to notify DC Exchange regarding receipt of payments of initial binder payments from individuals.
- Premium Payment Notification – 820 Messages used by a Carrier to notify DC Exchange regarding receipt of payment, other than the initial binder payment, from individuals.
- Premium Payment Notification – 820 Messages used by DC Exchange to notify Carrier regarding receipt of payments for initial and ongoing payments from SHOP employers.

DC Exchange and Carriers can accept binder payments from individuals.   Only Carriers can accept subsequent payments from individuals.   Only DC Exchange accepts payments from SHOP employers.   Enrollment files and Payments are not transferred to the carriers until the payment has been received by DC Exchange and has cleared.

Table 3: Remittance/Notification File Type

DC Exchange	Transaction Type	DC Exchange to Carrier	Carrier to DC Exchange	Frequency
Individual	820 Binder Payment Remittance	X	X	DC Exchange to Carrier: 10th and 24th of every month at 10 AM EST Carrier to DC Exchange: Daily
	820 Ongoing Payment informational		X	Carrier to DC Exchange: Daily
	TA1 Interchange Acknowledgement	X	X	Upon Receipt of 820
	999 Functional Acknowledgement	X	X	Upon Processing of 820
SHOP	820 Binder Payment Remittance	X		DC Exchange to Carrier: 10th and 24th of every month at 10 AM EST
	820 Ongoing Payment Remittance	X		DC Exchange to Carrier: 10th and 24th of every month at 10 AM EST
	TA1 Interchange Acknowledgement	X		Upon Receipt of 820
	999 Functional Acknowledgement	X		Upon Processing of 820

Although broken out in the above table, all SHOP payments will be reported in a single file.   Note: this is different than 834 enrollment and change notices, which will be broken out by employer groups.

2.6   File Naming

Files follow a naming convention as mentioned below which provides enough information about the file and its destination. Information is delimited by an underscore "_" to allow parsing.

[FileStandard_DateTime_IssuerID_GroupID_FileType_FileContent_ExchangeType.pgp]

e.g. 820_201305141422Z_CFBCI_INDIV_N_S_I.pgp

Table 4 explains the possible values of each file name part.

Table 4: File Naming Convention

File Name Part	Description	Possible Values
File Standard	File format Standard used	820
Date Time	UTC date and time in the format yyyyMMddHHmm. Suffix Z indicates UTC.	Example: 201305141422Z

File Name Part	Description	Possible Values
Carrier ID	Unique Issuer identifier. Carrier Name will be used here as that is the only common ID across systems.	Carrier IDs are established though trading partner agreements for a given exchange.
Group ID	The Exchange-issued Group ID. Where the file is for the individual market, this ID will be "INDIV"	Still under review
File Type	Whether this relates to non-payment or ACH transfer.	"N" Non-Payment – no money transfer "A" ACH – money is transferred via a separate ACH file
File Content	Whether this is a standard 820 file or an acknowledgement	"S" Standard 820 file "D" Audit file. File Type for audit files must always be N (Non-Payment) TA1 Technical Acknowledgement 999 Functional Acknowledgement
Exchange Type	Whether this is for Individual Exchange or SHOP Exchange	"I" Individual Exchange "S" SHOP Exchange

3   EDI Implementation

3.1   Character Set

1. As specified in the TR3, the basic character set includes uppercase letters, digits, space, and other special characters with the exception of those used for delimiters.
2. All HIPAA segments and qualifiers must be submitted in UPPERCASE letters only.
3. Suggested delimiters for the transaction are assigned as part of the trading partner set up.
4. DC Exchange Representative will discuss options with trading partners, if applicable.
5. To avoid syntax errors hyphens, parentheses, and spaces should not be used in values for identifiers. (Examples: Tax ID 123654321, SSN 123456789, Phone 8001235010)

3.2   820 Control Segments/Envelope

Trading partners should follow the Interchange Control Structure (ICS) guidelines for HIPAA located in the HIPAA Implementation Guides and CMS Guidance. The following sections address specific information needed by DC Exchange to process ASC X12N/005010X306-820 Payment Order/Remittance Advice Transaction Sets.

The DC Exchange will accept:

*   ISA-IEA envelopes within a single physical file.
*   GS-GE envelopes within a single ISA-IEA interchange.
*   Multiple ST-SE envelopes within a single GS-GE functional group.

Table 5 lists information conveyed in the control segment.

Table 5: Control Segments

Element Name	Element	Value
Interchange Control Header	ISA	
Authorization Information Qualifier	ISA01	00 – No authorization information present
Security Information Qualifier	ISA03	00 – No security information present
Security Information	ISA04	This data element will be blank
Interchange ID Qualifier	ISA05	ZZ – Mutually defined
Interchange Sender ID	ISA06	Sender's Federal Tax ID
Interchange ID Qualifier	ISA07	ZZ – Mutually defined
Interchange Receiver ID	ISA08	Receiver's Federal Tax ID
Interchange Date	ISA09	Date of interchange
Interchange Time	ISA10	Time of interchange
Interchange Control Version Number	ISA12	00501

Element Name	Element	Value
Interchange Control Number	ISA13	A unique control number assigned by DC Exchange. Note that manual problem resolution may require the re-transmission of an existing control number.
Acknowledgement Requested	ISA14	1 – A TA1 is requested
Interchange Usage Indicator	ISA15	T – Test P - Production
Functional Identifier Code	GS01	"BE"
Application Sender's Code	GS02	Sender's Code (Usually, but not necessarily, the Sender's Federal Tax ID)
Application Receiver's Code	GS03	Receiver's Federal Tax ID

4   EDI 820 Supplemental Instructions

This section explains where the DC Exchange deviates from the published X12 820 EDI standards, such as extending loop definitions or constraining allowable codes. It also covers special circumstances where the DC Exchange has turned to non-EDI message exchange to support requirements beyond those envisioned under the standards.

Each section includes:

1)   Transaction Details
2)   Sequence Diagram
3)   Header Elements
4)   Transaction Detail Elements

This document describes the use of 820 messages that will be used for both the Individual and Small Business Health Options Program (SHOP) markets as outlined below.
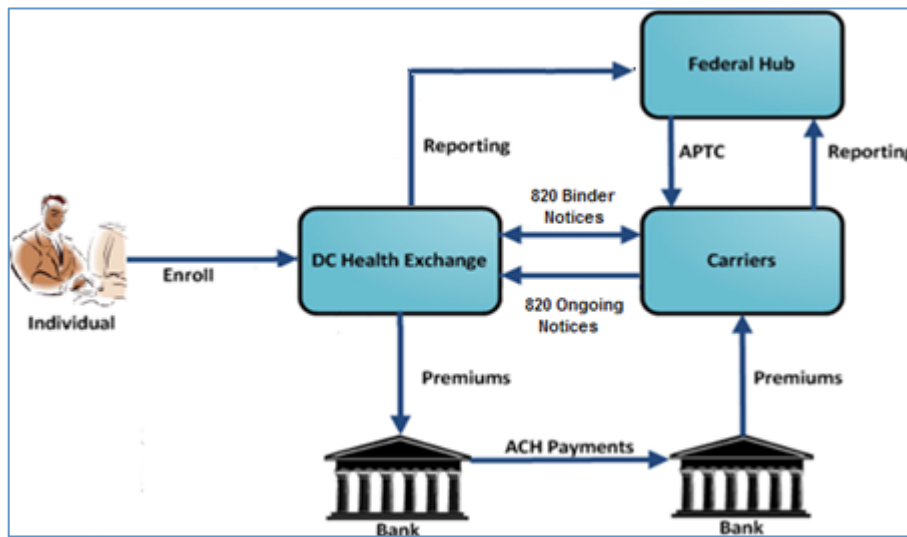
Figure 1: Information Flow - Individual
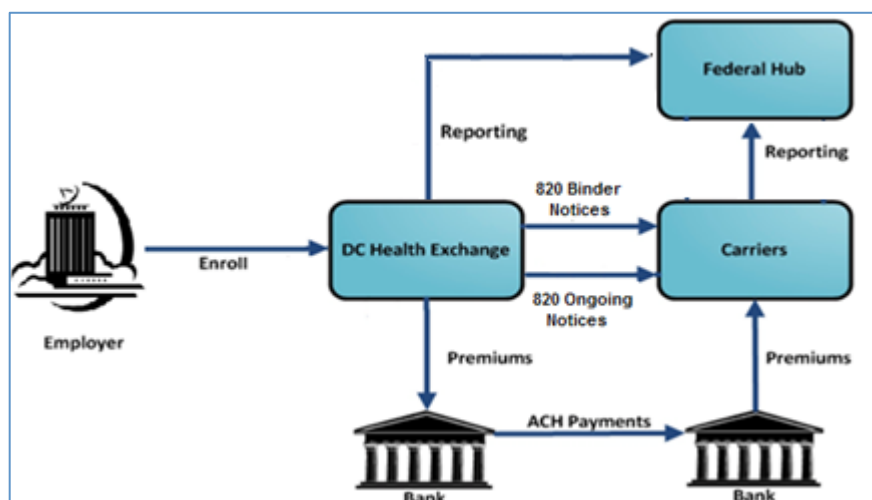
Figure 2: Information Flow - SHOP

4.1 Individual Binder Payments

Individuals always have a choice whether to pay the DC Exchange or carriers directly for the binder payments. When binder payments for individuals are received by DC Exchange, an 834 initial enrollment notice is sent to the Carrier only after full premium has been received and payment has cleared.

820 advice of binder payments for individuals are remitted from the DC Exchange to Carriers twice per month, on the 10th and 24th. Carriers must notify the DC Exchange of cleared binder payments on a daily basis. Table 6 shows specifications related to this transaction.

Table 6: Individual Binder Payment Transaction Details

Interaction Model	Batch
File Name	E.g. 820_201305141422Z_CFBCI_INDIV_N_S_I.pgp
Frequency	Twice Monthly
Inbound File Format	EDI X12 820 - Payment Order/Remittance Advice (5010) as format per the companion guide published by DC Exchange.
Outbound File Format	EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1)
Exchange Process	DC Exchange compiles all remittance related data corresponding to the Carrier into an EDI X12 820 file format. Data is also customized per the DC Exchange published 820 Companion Guide.
Success	Receiving system sends EDI X12 TA1 to the transmitting system as an acknowledgement after no errors are found at the interchange level. Receiving system sends EDI X12 999 to the transmitting system as an acknowledgement after no errors are found at the functional group level.
Failure	Refer to Validation and Error Handling

The sequence diagrams that follow capture the fact that some binder payments are being paid directly to carriers, not the Exchange.
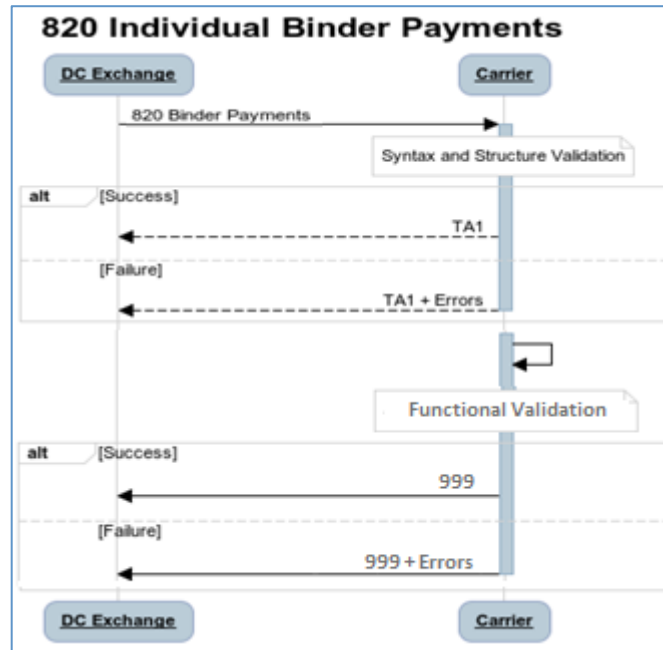
Figure 3: Individual Binder Payment Sequence - DC Exchange to Carrier

Figure 3 **Sequence:**

1) DC Exchange sends EDI X12 820 payment data file to the Carrier.
2) Carrier sends an acknowledgment (TA1) back to DC Exchange.
   a) Carrier sends a TA1 with errors in cases of syntactical errors.
3) Carrier processes file and sends a functional acknowledgment (EDI X12 999) back to the DC Exchange.
   a) Carrier sends a 999 with errors in cases of functional errors
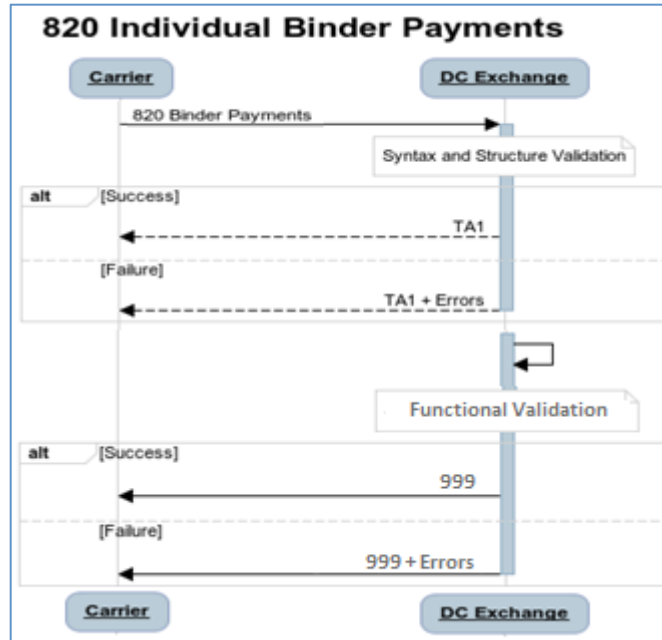
Figure 4: Individual Binder Payments - Carrier to DC Exchange

Figure 4 **Sequence:**

1) Carrier sends EDI X12 820 payments data file to DC Exchange.
2) DC Exchange sends an acknowledgment (TA1) back to the Carrier.
   a) DC Exchange sends a TA1 with errors in cases of syntactical errors.
3) DC Exchange processes the file and sends a functional acknowledgment (EDI X12 999) back to the Carrier.
   a) DC Exchange sends a 999 with errors in cases of functional errors.
4) Below table depicts important information related to this transaction

Table 7: Individual Binder Payment Header Elements

Loop	Element	Element Name	Code	Instruction
Header	ST	Transaction Set Header		
	ST01	Transaction Set Identifier Code	"820"	820 - Remittance Advice
	ST02	Transaction Set Control Number		A unique identifier. For remittance messages, this represents the identifier of the ACH transaction that moved the funds.
	ST03	Implementation Convention Reference	"005010X306"	Used for employer group and individual payments
	BPR	Beginning Segment for Remittance Advice		
	BPR01	Transaction Handling Code	"I"	I – Remittance Information Only.
	BPR02	Monetary Amount		Total amount of money transferred though ACH and detailed in this file.

Loop	Element	Element Name	Code	Instruction
	BPR03	Credit/Debit Flag Code	"C"	C – Credit
	BPR04	Payment Method	Blank	Funds will be transferred though a separate Automated Clearing House (ACH) file. There is an ACH Payment Method Code that is used when a single 820 file contains both the remittance data and the ACH file data. This type of 820 file must be processed by a bank and is not used in the Exchange.
	BPR16	Date		Payment effective date
	REF	Issuer Assigned Qualified Health Plan Identifier		
	REF01	Reference Identification Qualifier	TV	TV –Line of Business. This will be populated with the Employer's Group ID when appropriate.
	REF02	Reference Identification		Group ID.
	DTM	Coverage Period		
	DTM01	Date/Time Reference	"582"	582 – Report Period
	DTM05	Date Time Period Format Qualifier	"RD8"	Range of dates expressed in format CCYYMMDD-CCYYMMDD.
	DTM06	Date Time Period		Start and end dates for the coverage period. Exchange will only offer monthly plans, so date range will be from beginning to end of month for which payment was made.
1000A		Payee Loop		
	N1	Payee Name		This segment represents receipt of payments.
	N101	Entity Identifier Code	"PE"	PE – Payee
	N102	Name		Carrier's organization name.
	N103	Identification Code Qualifier		FI – Federal Taxpayer Identification Number
	N104	Identification Code		Carrier's Federal Taxpayer Identification Number
1000B		Payer Loop		
	N1	Payer's Name		This segment represents originator of the payments.
	N101	Entity Identifier Code	"RM"	Remitter Name
	N102	Name		DC Exchange
	N103	Identification Code Qualifier	"58"	Originating Company Number
	N104	Identification Code		Agreed upon code
	PER	Payer's Administrative Contact Information		
	PER01	Contact Function Code	"IC"	Indicates Contact Information
	PER02	Name		Agreed upon contact name

Loop	Element	Element Name	Code	Instruction
	PER03	Communication Qualifier Number	"TE"	Telephone
	PER04	Communication Number		Contact telephone number
	PER05	Communication Qualifier Number	"EM"	Electronic Mail
	PER06	Communication Number		Contact email address
	PER07	Communication Qualifier Number	"FX"	Facsimile
	PER08	Communication Number		Contact fax number

Table 8: 820 Individual Binder Payment Detail Elements

Loop	Element	Element Name	Code	Instruction
2000	ENT	Remittance Information		
	ENT01	Assigned Number		Sequential Number of the Loop Detail (starting at 1)
2100	NM1	Individual Name		
	NM101	Entity Identifier Code	"IL"	Insured or Subscriber
	NM102	Entity Type Qualifier	"1"	"Person"
	NM103	Last Name		Last name of the subscriber.
	NM104	First Name		First name of the subscriber.
	NM108	Identification Code Qualifier	"C1"	Insured or Subscriber
	NM109	Identification Code		The Exchange assigned Subscriber Identification Number.
2100	REF	Issuer Assigned Qualified Health Plan Identifier		This segment will be transmitted only for payments related to plans for Individuals.
	REF01	Reference Identification Qualifier	"TV"	TV – Line of Business
	REF02	Reference Identification		The Carrier's health plan identifier will be provided here.
2100	REF	Issuer Assigned Employer Group Identifier		This segment will be transmitted only for payments related to SHOP
	REF01	Reference Identification Qualifier	"1L"	1L – Group or Policy Number
	REF02	Reference Identification		For payments related to an Employer Group, the Carrier's Group identifier will be provided here.
2300	RMR	Remittance Detail		

Loop	Element	Element Name	Code	Instruction
	RMR01	Reference Identification Qualifier	"ZZ"	Exchange Payment Type.
	RMR02	Reference Payment Type		Premium Payment
	RMR04	Monetary Amount		Provide amount of payment or adjustment associated with this insured. Note that values corresponding to an adjustment may be negative.
2300	DTM	Individual Coverage Period		This segment will communicate the start and end dates related to the payment.
	DTM01	Date/Time Qualifier	"582"	582 – Report Period.
	DTM05	Date Time Period Format Qualifier		RD8 – CCYYMMDD – CCYYMMDD
	DMT06	Date Time Period		Date range corresponding to the premium payment. This will match the premium payment coverage period.

4.2   Individual Ongoing Payments

Ongoing payments are paid directly to Carrier. Advice of these payments in 820 format must be reported to the DC Exchange on a daily basis. **Error! Reference source not found.** shows specifications related to this transaction.

Table 9: Individual Ongoing Payment Transaction Details

Interaction model	Batch
File Name	E.g. 820_201305141422Z_CFBCI_INDIV_N_S_I.pgp
Inbound File Format	EDI X12 820 - Payment Order/Remittance Advice (5010) as format per the companion guide published by DC Exchange.
Outbound File Format	E EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1)DI X12 TA1 -Interchange Acknowledgement (5010)
Exchange Process	Carrier compiles all remittance data related to ongoing payments by the subscribers into an EDI X12 820 file format. Data is also customized per the DC Exchange published 820 Companion Guide.
Success	Receiving system sends EDI X12 TA1 to the transmitting system as an acknowledgement after no errors are found at the interchange level. Receiving system sends EDI X12 999 to the transmitting system as an acknowledgement after no errors are found at the functional group level.
Failure	Refer to Validation and Error Handling

Figure 5: 820 Individual Ongoing Payments Sequence Diagram

Figure 5 **Sequence:**

1) Carrier sends EDI X12 820 payments data file to DC Exchange.
2) DC Exchange sends an acknowledgment (TA1) back to the Carrier.
   a) DC Exchange sends a TA1 (with errors) in cases of syntactical errors.
3) DC Exchange processes file and sends a functional acknowledgment (EDI X12 999) back to the Carrier.
   a) DC Exchange sends a 999 with errors in cases of functional errors.

Table 10: 820 Ongoing Payment Header Elements

Loop	Element	Element Name	Code	Instruction
Header	ST	Transaction Set Header		
	ST01	Transaction Set Identifier Code	"820"	820 - Remittance Advice
	ST02	Transaction Set Control Number		A unique identifier. For remittance messages, this represents the identifier of the ACH transaction that moved the funds.
	ST03	Implementation Convention Reference	"005010X306"	Used for employer group and individual payments
	BPR	Beginning Segment for Remittance Advice		
	BPR01	Transaction Handling Code	"I"	I – Remittance Information Only

Loop	Element	Element Name	Code	Instruction
	BPR02	Monetary Amount	0.00	No money is actually transferred
	BPR03	Credit/Debit Flag Code	"C"	C – Credit
	BPR04	Payment Method	"NON"	Non-Payment data
	BPR16	Date		Payment effective date
	REF	Issuer Assigned Qualified Health Plan Identifier		
	REF01	Reference Identification Qualifier	TV	TV –Line of Business
	REF02	Reference Identification		Group ID
	DTM	Coverage Period		
	DTM01	Date/Time Reference	"582"	582 – Report Period
	DTM05	Date Time Period Format Qualifier	"RD8"	Range of dates expressed in format CCYYMMDD-CCYYMMDD.
	DTM06	Date Time Period		Start and end date for coverage period. Exchange will only offer monthly plans, so this date range will be from beginning to end of the month for which payment was made.
1000A		Payee Loop		
	N1	Payee Name		This segment represents the received of the payments.
	N101	Entity Identifier Code	"PE"	PE – Payee
	N102	Name		DC Exchange
	N103	Identification Code Qualifier		FI – Federal Taxpayer Identification Number
	N104	Identification Code		The Exchange Federal Taxpayer Identification Number
1000B		Payer Loop		
	N1	Payer's Name		This segment represents the originator of the payments.
	N101	Entity Identifier Code	"RM"	Remitter Name
	N102	Name		Carrier's organization name.
	N103	Identification Code Qualifier	"58"	Originating Company Number
	N104	Identification Code		Agreed upon code for Carrier
	PER	Payer's Administrative Contact Information		
	PER01	Contact Function Code	"IC"	Indicates Contact Information
	PER02	Name		Agreed upon contact name

Page 23 of 35

Loop	Element	Element Name	Code	Instruction
	PER03	Communication Qualifier Number	"TE"	Telephone
	PER04	Communication Number		Contact telephone number
	PER05	Communication Qualifier Number	"EM"	Electronic Mail
	PER06	Communication Number		Contact E-mail address
	PER07	Communication Qualifier Number	"FX"	Facsimile
	PER08	Communication Number		Contact fax number

Table 11: 820 Ongoing Payment Detail Elements

Loop	Element	Element Name	Code	Instruction
2000	ENT	Remittance Information		
	ENT01	Assigned Number		Sequential Number of the Loop Detail (starting at 1)
2100	NM1	Individual Name		
	NM101	Entity Identifier Code	"IL"	Insured or Subscriber
	NM102	Entity Type Qualifier	"1"	"Person"
	NM103	Last Name		Last name of the subscriber.
	NM104	First Name		First name of the subscriber.
	NM108	Identification Code Qualifier	"C1"	Insured or Subscriber
	NM109	Identification Code		The Exchange assigned Subscriber Identification Number.
2100	REF	Issuer Assigned Qualified Health Plan Identifier		This segment will be transmitted only for payments related to plans for Individuals.
	REF01	Reference Identification Qualifier	"TV"	TV – Line of Business
	REF02	Reference Identification		The Carrier's health plan identifier will be provided here.
2100	REF	Issuer Assigned Employer Group Identifier		This segment will be transmitted only for payments related to SHOP.
	REF01	Reference Identification Qualifier	"1L"	1L – Group or Policy Number
	REF02	Reference Identification		For payments related to an Employer Group, the Carrier's Group identifier will be provided here.
2300	RMR	Remittance Detail		
	RMR01	Reference Identification Qualifier	"ZZ"	Exchange Payment Type
	RMR02	Reference Payment Type		Premium Payment
	RMR04	Monetary Amount		Provide amount of payment or adjustment associated with this insured. Note that values corresponding to an adjustment may be negative.
2300	DTM	Individual Coverage Period		This segment will communicate the start and end dates related to the payment.
	DTM01	Date/Time Qualifier	"582"	582 – Report Period
	DTM05	Date Time Period Format Qualifier		RD8 – CCYYMMDD – CCYYMMDD

Page 25 of 35

Loop	Element	Element Name	Code	Instruction
	DMT06	Date Time Period		Date range corresponding to premium payment. This will match the premium payment coverage period.

4.3 SHOP Payments

SHOP payments are always paid from the DC Exchange to the Carrier. 820 advice of SHOP payments are remitted from the DC Exchange to Carriers twice per month, on the 10th and 24th. Table 12 shows specifications related to this transaction.

Table 12: 820 SHOP Payment Details

Interaction Model	Batch
File Name	E.g. 820_201305141422Z_CFBCI__GRPID_N_S_S.pgp
Frequency	Twice Monthly
Inbound File Format	EDI X12 820 - Payment Order/Remittance Advice (5010) as format per the companion guide published by DC Exchange.
Outbound File Format	EDI X12 TA1 -Interchange Acknowledgement (005010231A1) / EDI X12 999 – Functional Acknowledgement (005010231A1)
Exchange Process	DC Exchange compiles all the SHOP payment related data corresponding to the Carrier into an EDI X12 820 file format. Data is also customized per the DC Exchange published 820 Companion Guide.
Success	Carrier sends EDI X12 TA1 to DC Exchange as an acknowledgement after no errors are found at the interchange level. Carrier sends EDI X12 999 to DC Exchange as an acknowledgement after no errors are found at the functional group level.
Failure	Refer to section 13.2.4 820 Error Transaction

Figure 6: SHOP Binder Payments Sequence Diagram

Figure 6 **Sequence:**

1) DC Exchange sends EDI X12 820 payments data file to Carrier.
2) Carrier sends an acknowledgment (TA1) back to DC Exchange.
   a) Carrier sends a TA1 (with errors) in cases of syntactical errors.
3) Carrier processes file and sends a functional acknowledgment (EDI X12 999) back to DC Exchange.
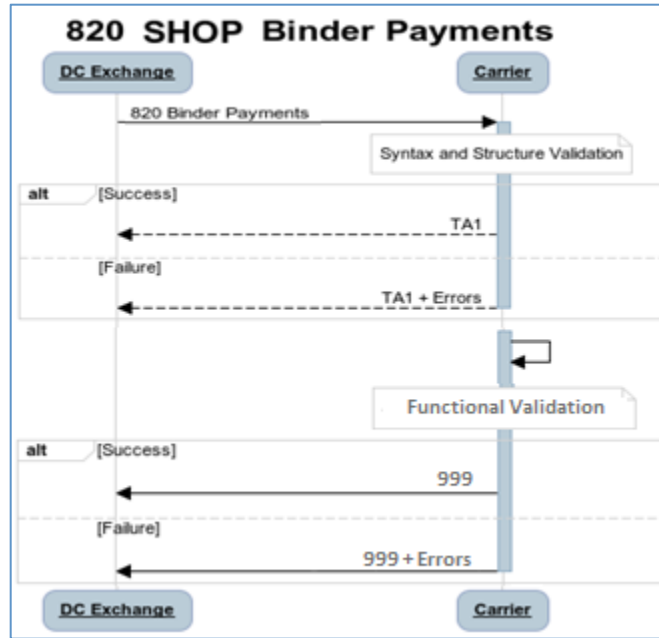   a) Carrier sends a 999 with errors in cases of functional errors.

Figure 7: SHOP Ongoing Payments Sequence Diagram

Figure 7 **Sequence:**

1) DC Exchange sends EDI X12 820 payments data file to Carrier.
2) Carrier sends acknowledgment (TA1) back to DC Exchange.
   a) Carrier sends a TA1 (with errors) in cases of syntactical errors.
3) Carrier processes file and sends a functional acknowledgment (EDI X12 999) back to DC Exchange.
   a) Carrier sends a 999 with errors in cases of functional errors.

Table 13: 820 SHOP Payment Header Elements

Loop	Element	Element Name	Code	Instruction
Header	ST	Transaction Set Header		
	ST01	Transaction Set Identifier Code	"820"	820 - Remittance Advice
	ST02	Transaction Set Control Number		A unique identifier. For remittance messages, this represents identifier of the ACH transaction that moved the funds.
	ST03	Implementation Convention Reference	"005010X306"	Used for employer group and individual payments.
	BPR	Beginning Segment for Remittance Advice		
	BPR01	Transaction Handling Code	"I"	I – Remittance Information Only.
	BPR02	Monetary Amount		Total amount of money transferred though ACH and detailed in this file.

Loop	Element	Element Name	Code	Instruction
	BPR03	Credit/Debit Flag Code	"C"	C – Credit
	BPR04	Payment Method	blank	Funds will be transferred though a separate Automated Clearing House (ACH) file. There is an ACH Payment Method Code. This code is used when a single 820 file contains both the remittance data and the ACH file data. This type of 820 file must be processed by a bank and is not used in the Exchange.
	BPR16	Date		Payment effective date
	REF	Issuer Assigned Qualified Health Plan Identifier		
	REF01	Reference Identification Qualifier	TV	TV –Line of Business. This will be populated with the Employer's Group ID when appropriate.
	REF02	Reference Identification		Group ID.
	DTM	Coverage Period		
	DTM01	Date/Time Reference	"582"	582 – Report Period.
	DTM05	Date Time Period Format Qualifier	"RD8"	Range of dates expressed in the format CCYYMMDD-CCYYMMDD.
	DTM06	Date Time Period		This is the start and end date for the coverage period. The Exchange will only offer monthly plans, so this date range will be from the beginning to the end of the month for which payment was made.
1000A		Payee Loop		
	N1	Payee Name		This segment represents the received of the payments.
	N101	Entity Identifier Code	"PE"	PE – Payee
	N102	Name		The Carrier's organization name.
	N103	Identification Code Qualifier		FI – Federal Taxpayer Identification Number
	N104	Identification Code		The Carrier's Federal Taxpayer Identification Number
1000B		Payer Loop		
	N1	Payer's Name		This segment represents the originator of the payments
	N101	Entity Identifier Code	"RM"	Remitter Name
	N102	Name		DC Exchange
	N103	Identification Code Qualifier	"58"	Originating Company Number
	N104	Identification Code		Agreed upon code
	PER	Payer's Administrative Contact		

Page 29 of 35

Loop	Element	Element Name	Code	Instruction
		Information		
	PER01	Contact Function Code	"IC"	Indicates Contact Information
	PER02	Name		Agreed upon contact name
	PER03	Communication Qualifier Number	"TE"	Telephone
	PER04	Communication Number		Contact telephone number
	PER05	Communication Qualifier Number	"EM"	Electronic Mail
	PER06	Communication Number		Contact E-mail address
	PER07	Communication Qualifier Number	"FX"	Facsimile
	PER08	Communication Number		Contact fax number

Table 14: 820 SHOP Enrollment Payment Detail Elements

Loop	Element	Element Name	Code	Instruction
2000	ENT	Remittance Information		
	ENT01	Assigned Number		Sequential Number of the Loop Detail (Starting at 1)
2100	NM1	Group Name		
	NM101	Entity Identifier Code	"IL"	Insured or Subscriber
	NM102	Entity Type Qualifier	"1"	"Person"
	NM103	Last Name		Last name of the subscriber.
	NM104	First Name		First name of the subscriber.
	NM108	Identification Code Qualifier	"C1"	Insured or Subscriber
	NM109	Identification Code		The Exchange assigned Subscriber Identification Number.
2100	REF	Issuer Assigned Employer Group Identifier		This segment will be transmitted only for payments related to SHOP
	REF01	Reference Identification Qualifier	"1L"	1L – Group or Policy Number
	REF02	Reference Identification		For payments related to an Employer Group, the Carrier's Group identifier will be provided here.
2300	RMR	Remittance Detail		
	RMR01	Reference Identification Qualifier	"ZZ"	Exchange Payment Type
	RMR02	Reference Payment Type		Premium Payment
	RMR04	Monetary Amount		Provide amount of payment or adjustment associated with this insured. Note that values corresponding to an adjustment may be negative.
2300	DTM	Group Coverage Period		This segment will communicate the start and end dates related to the payment.

Loop	Element	Element Name	Code	Instruction
	DTM01	Date/Time Qualifier	"582"	582 – Report Period
	DTM05	Date Time Period Format Qualifier		RD8 – CCYYMMDD – CCYYMMDD
	DMT06	Date Time Period		Date range corresponding to the premium payment. This will match the premium payment coverage period.

4.4 Adjustments

Table 15 lists payment codes defined by CMS for Loop 2300 RMR02. None of these codes can be used for adjustments to the premium itself.

<p align="center">**Table 15: CMS-Defined Payment Codes (May 2013)**</p>

Code	Definition
APTC	Advance Payment of Premium Tax Credit. The RMR 04 segment will be positive.
APTCADJ	Advance Payment of Premium Tax Credit Adjustment. The RMR 04 segment will be positive or negative.
APTCMADJ	APTC Manual Adjustment. Used to show APTC manual adjustment when enrollment group level information is not applicable. The RMR 04 segment will be positive or negative and may be reversed in the future.
BAL	Balancing Amount. Only used when reporting to State-Based Marketplace. The RMR04 segment will be positive.
CSR	Advance Payment of Cost Sharing Reduction. The RMR 04 segment will be positive.
CSRADJ	Advance Payment of Cost Sharing Reduction Adjustment. The RMR 04 segment will be positive or negative.
CSRMADJ	CSR Manual Adjustment. Used to show CSR manual adjustment when enrollment group level information is not provided. The RMR 04 segment will be positive or negative and may be reversed in the future.
CSRN	Cost Sharing Reduction Reconciliation. The RMR 04 segment will be positive or negative.
CSRNADJ	Cost Sharing Reduction Reconciliation Adjustment. The RMR 04 segment will be positive or negative.
DEBTADJ	Payee's debt amount was covered by an affiliate's payment. The RMR04 segment will be positive.
FPLPNT	Used to show offsets for Treasury's Federal Payment Levy Program for Non-Tax related debt. The RMR 04 segment will be a negative amount.
FPLPT	Used to show offsets for Treasury's Federal Payment Levy Program for Tax related debt. The RMR 04 segment will be a negative amount.
INVOICE	Used to show a total amount that will be billed or otherwise collected. Only used when BPR 02 would otherwise be negative.
RA	Risk Adjustment Program payment or charge amount. The RMR 04 segment will be positive or

Code	Definition
	negative.
RAADJ	Risk Adjustment Payment or Charge Adjustment. The RMR 04 segment will be positive or negative.
RAUF	Risk Adjustment User Fee. The RMR 04 segment will be negative.
RAUFADJ	Risk Adjustment User Fee negative. Adjustment. The RMR 04 segment will be positive or negative
RC	Risk Corridor Program payment or charge amount. The RMR 04 segment will be positive or negative.
RCADJ	Risk Corridor Adjustment. The RMR 04 segment will be positive or negative.
REDUCED	Payment reduced to cover an outstanding debt owed by the payee or their affiliates. The RMR04 segment will be negative.
RIC	Reinsurance Contribution Amount. The RMR 04 segment will be negative.
RICADJ	Reinsurance Contribution Adjustment. The RMR 04 segment will be positive or negative.
RIP	Reinsurance Payment Amount. The RMR 04 segment will be positive.
RIPADJ	Reinsurance Payment Adjustment. The RMR 04 segment will be positive or negative.
UF	Federally facilitated Marketplace User Fee. The RMR 04 segment will be negative.
UFADJ	Federally facilitated Marketplace User Fee Adjustment. The RMR 04 segment will positive or negative.
UFMADJ	Federally facilitated Marketplace User Fee Manual Adjustment. Used to show use fee manual adjustment when enrollment group level information is not provided. The RMR 04 segment will be positive or negative and may be reversed in the future.

4.5   Adjustment for Life-Event

This adjustment is used where a member has a life event that caused a change to the premium amount.

Table 16: Sample Premium Adjustment

2100	NM1	Individual Name	Code	Instruction
	NM101	Entity Identifier Code	"IL"	Insured or Subscriber
	NM102	Entity Type Qualifier	"1"	"Person"
	NM103	Last Name	Smith	Last name of the subscriber.
	NM104	First Name	Joe	First name of the subscriber.
	NM108	Identification Code Qualifier	"C1"	Insured or Subscriber
	NM109	Identification Code	99999	The Exchange assigned Subscriber Identification Number.
2100	REF	Issuer Assigned Qualified Health Plan Identifier	X	This segment will be transmitted only for payments related to plans for Individuals.

2100	NM1	Individual Name	Code	Instruction
	REF01	Reference Identification Qualifier	"TV"	TV – Line of Business
	REF02	Reference Identification	X	The Carrier's health plan identifier will be provided here.
2300	RMR	Remittance Detail		
	RMR01	Reference Identification Qualifier	"ZZ"	Exchange Payment Type
	RMR02	Reference Payment Type	"PADJ"	Premium adjustment
	RMR04	Monetary Amount	-999	Reverse the Individual or SHOP employee-only premium amount.
2300	DTM	Individual Coverage Period		This segment will communicate the start and end dates related to the payment.
	DTM01	Date/Time Qualifier	"582"	582 – Report Period
	DTM05	Date Time Period Format Qualifier		RD8 – CCYYMMDD – CCYYMMDD
	DMT06	Date Time Period		Date range for the premium adjustment.
2300	RMR	Remittance Detail		
	RMR01	Reference Identification Qualifier	"ZZ"	Exchange Payment Type
	RMR02	Reference Payment Type	"APTCADJ"	Adjust previous APTC amount.
	RMR04	Monetary Amount	-999	Reverse the original APTC amount.
2300	DTM	Individual Coverage Period		This segment will communicate the start and end dates related to the payment.
	DTM01	Date/Time Qualifier	"582"	582 – Report Period
	DTM05	Date Time Period Format Qualifier		RD8 – CCYYMMDD – CCYYMMDD
	DMT06	Date Time Period		Date range for the premium adjustment
2300	RMR	Remittance Detail		
	RMR01	Reference Identification Qualifier	"ZZ"	Exchange Payment Type
	RMR02	Reference Payment Type	"PREM"	Premium adjustment
	RMR04	Monetary Amount	999	The premium amount
2300	DTM	Individual Coverage Period		This segment will communicate start and end dates related to the payment.
	DTM01	Date/Time Qualifier	"582"	582 – Report Period.
	DTM05	Date Time Period Format Qualifier		RD8 – CCYYMMDD – CCYYMMDD
	DMT06	Date Time Period		Date range for the premium adjustment
2300	RMR	Remittance Detail		
	RMR01	Reference Identification Qualifier	"ZZ"	Exchange Payment Type
	RMR02	Reference Payment Type	"APTC"	Adjust previous APTC amount
	RMR04	Monetary Amount	999	New APTC amount
2300	DTM	Individual Coverage Period		This segment will communicate start and end dates related to the payment.

Page 33 of 35

2100	NM1	Individual Name	Code	Instruction
	DTM01	Date/Time Qualifier	"582"	582 – Report Period.
	DTM05	Date Time Period Format Qualifier		RD8 – CCYYMMDD – CCYYMMDD
	DMT06	Date Time Period		Date range for the premium adjustment

5   Monthly Reconciliation File Processes

In the initial stages of the DC Exchange operation, payment reconciliation will take place on an as-needed basis. The intention is to identify anomalies and exceptions scenarios as early as possible, in an effort to respond quickly and minimize the impact of issues.

DC Exchange requires that a Carrier reconcile payment files with the exchange no less than once a month.

5.1   Payment Reconciliation Process:

DC Exchange will send two separate payment files to the Carrier for reconciliation purposes on monthly basis.

1.   File containing all Individual payment data to Carrier.
2.   File containing all SHOP payment data to Carrier.

We expect the above file to contain the cumulative payment information between the DC Exchange and a Carrier at any given point of time for a benefit year.

Carriers need to analyze and reconcile the files with the data in their systems. Carriers can contact DC Exchange customer support if there are any questions or discrepancies.

6   Validation and Error Handling

All EDI transactions on the DC Exchange will use the X12 TA1/999 interchange and implementation acknowledgement protocols. For details on error handling process refer to DC Exchange Transaction Error Handling Guide.