New York Health Benefit Exchange

Implementation Review
Section 3.0 Enrollment and Eligibility
August 13, 2013

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Section 3.1 Single Streamlined Application(s) for the Individual Exchange

New York has completed the single streamlined Individual Exchange application for QHP enrollment and for applying for financial assistance both online and in paper The CMS application was used as the baseline for the paper application and additional Medicaid and Child Health Plus questions were added that were necessary to complete an eligibility determination for those programs. A nearly final draft of the paper applications was shared with CCIIO in July 2013. The online application was demonstrated to CMS in April and June and to the IRS in July 2013. Changes to both the paper and online applications since those demonstrations include modifications to comply with recommendations of the Internal Revenue Service and to add the Exchange name and branding. The Maximus Center for Health Literacy reviewed the paper applications to ensure they were clear and written in plain English.

Section 3.1 Single Streamlined Application for SHOP – revised May 23, 2013

New York has utilized the CMS templates as a baseline for development of our single streamlined

employer and employee application. New York has reviewed the federal data elements for both applications, and has incorporated them into our applications. New York has made changes to the flow of the information captured so it is compatible with our online registration process. The paper application process will facilitate registration on the Exchange. The detailed information needed for group set up and enrollment will be captured online, by an IPA/Navigator, broker or the through customer service center. The application forms were finalized in July and have begun the submission process for approvals submitted to HHS for approval.

Section 3.2 Coordination Strategy between The Exchange and Other Agencies administering Insurance Affordability Programs and the SHOP that Enables the Exchange to carry out eligibility and enrollment functions

The New York Health Benefit Exchange (Exchange) was established in the New York State Department of Health (DOH) pursuant to Governor Cuomo's Executive Order (EO) issued on April 12, 2012 (see prior submission on Exchange Legal Authority and Governance, Section 1). DOH is a co-regulator of commercial insurance/HMOs with the New York State Department of Financial Services (DFS, formerly the Department of Insurance). The Exchange will coordinate closely with DFS in terms of oversight of QHPs (individual and SHOP) and SHOP eligibility and enrollment activities, including broker assistance. DOH is also the single state agency administering the Medicaid program, as well as the Child Health Plus (CHP) program, through the Office of Health Insurance Programs (OHIP).

DOH has developed and/or amended several intra-agency memoranda of understanding (MOUs) with state agencies that will be supporting Exchange eligibility and enrollment activities through data sharing agreements (e.g. State Department of Tax and Finance, State Department of Labor, etc). (See slide 3.2).

DOH intra-agency organization under Commissioner of Health Dr. Nirav Shah, will help ensure close coordination of all Exchange eligibility and enrollment activities and functions, including those under the Division of Health Reform and Exchange Integration, and those that help support plan selection by individual consumers, employers and employees such as plan quality data collection by DOH Office of Quality and Patient Safety. OHIP will be responsible for administering the Insurance Affordability (IA) programs, including Medicaid, CHP, and APTC/CSRs, as well as for the development and implementation of the integrated system platform that will support Exchange eligibility and enrollment determinations for QHPs for SHOP and for Individuals and families and for IA programs. OHIP will administer these functions on behalf of the Exchange and in close coordination with the Exchange.

There will additionally be coordination between the Individual Exchange and SHOP, in terms of appropriately leveraging system and back end operational capabilities, as well as at a program level. For example, employees who lose their coverage through SHOP will be able to access information on individual coverage options available through the Exchange.

The SHOP Exchange will provide employees with the ability to access consumer support and application assistance for such programs as required.

Section 3.3 Applications, Updates, Redeterminations

We are submitting the most current functional design documentation (FDDs) for eligibility and enrollment functions anticipated for October 1, 2013 These FDDs are continually updated based on scheduled builds, releases, change requests and defects that are identified and resolved.

3.3a Acceptance and processing of applications, updates, and responses to redeterminations from applicants and enrollees in-person

Applications, updates, and redeterminations can be accepted in person through In-Person Assistors/Navigators, Brokers, and Certified Application Counselors. While applicants/enrollees may provide information in person, the expectation is that assistors will electronically enter applicant/enrollee information into the online eligibility system. Redeterminations for Medicaid and CHIP can be accepted by In-Person Assistors/Navigators, Certified Application Counselors and Local Departments of Social Services, but they will be processed in the legacy systems using MAGI rules to the maximum extent possible until at least October 2014.

3.3b Acceptance and processing of applications, updates, and responses to redeterminations from applicants and enrollees online- demonstration will be provided

The Exchange eligibility and enrollment system (NY-HX) will accept applications and updates and changes online. The ability to process eligibility updates and changes will be deployed for October 1, 2013. Development of the ability to process enrollment changes outside of open enrollment is scheduled for deployment prior to the end of the first open enrollment period in March, 2014. The system will also perform administrative renewal prior to the end of coverage and send requests for redeterminations to enrollees, if needed. Administrative renewal functions are scheduled for development and implementation by October 2014. Prior to that time, annual renewals of existing Medicaid and CHP cases will continue to be handled in the legacy system. A back-end eligibility operation will handle the manual work associated with applicants/enrollees who cannot complete the process of enrolling, updating, or renewing online. Consumers will also have the ability to upload documents online via the NY HBE system. The NY HBE system will create tasks and send the information via a web service to the MAXIMUS MAXe system. Technology including a Kofax imaging system along with operational procedures that incorporate document management and a system workflow manager component, being leveraged in our current operation, is responsible for moving a document from registration to processing and completion.

Redeterminations for Medicaid and CHIP will not be processed by the Exchange until sometime in late 2014 or early 2015. Instead, they will be processed in the legacy systems using MAGI rules to the maximum extent possible. Given the complexity of the system build, the short time for adequately testing all the eligibility permutations and the data services available through the Federal Hub, and the reality that rules and interfaces will continue to be built 3-6 months after open enrollment, New York has decided to mitigate risk by maintaining current Medicaid and CHIP enrollees in the legacy system until the State is confident it has the automation and system stability to transition over 3 million current enrollees without a disruption in coverage. New York is prioritizing the ability to provide coverage on January 1 to the newly eligible populations while doing no harm to current Medicaid and CHP enrollees.

3.3c Acceptance and processing of applications, updates, and responses to redeterminations from applicants and enrollees via mail

New York intends to minimize the amount of applications, updates, and redeterminations it receives by mail, but mail is always an option for a consumer. Applications will be made available upon request via the New York Exchange Customer Service Center. All mail related to applications and redeterminations will be delivered to a centralized processing unit. The mail will be batched, scanned and, if a verification source or renewal, will be linked to the appropriate individual. Initial applications that are received via mail are also batched, scanned, and processed with an account being created for the individual as part of the processing

of the application. Technology including the MAXIMUS MAXe system and a Kofax imaging system along with operational procedures that incorporate document management and a system workflow manager component, being leveraged in our current operation, is responsible for moving an application from initiation to completion. The information from documents including a document control number (DCN) and the image of the paper document will be uploaded into the NY HBE system via a secure transfer process. The NY HBE accepts the image object and document attributes and stores them in Alfresco, the document repository. The process described above will be completed for documents that may be received via fax.

Mail renewals for current Medicaid enrollees will be received and processed by local departments of social services or New York Health Options until such time as current enrollees transition to the NY-HX. Mail in CHIP renewals will be received and processed by the child's health plan.

3.3d Acceptance and processing of applications, updates, and responses to redeterminations from applicants and enrollees via phone

Consumers will be able to apply, update information, and renew by phone. Consumer Service Specialists (CSS) will use the NY HBE system online interface to accept phone applications and gather the information to provide consumers with eligibility determinations. New York currently offers telephone renewals in 31 counties. About half of the renewals in those counties are completed by phone. The experience of telephone renewal offers lessons for the Exchange. Phone renewal is popular with consumers. It takes more time for an eligibility worker to complete than a mail renewal, but they generate a higher renewal rate because discrepancies can be resolved over the phone. Telephone renewals also have a much higher response rate to missing documents than mail renewals. The eligibility processing center will employ the same technology for workflow management as with mail and online applications. Phone renewals will continue in the 31 counties through the EC and utilizing the legacy system until renewal functionality is added to the NY-HX system and is available statewide.

3.3e Conducting all aforementioned activities for applicants and enrollees who have disabilities or limited English proficiency

The NY Exchange Customer Service Center will leverage the other language support capabilities that are currently in use in the New York Health Options Call Center. The NY Exchange Customer Service Center will have staff that are proficient in numerous languages including but not limited to English, Spanish, Chinese, Mandarin, Russian, Arabic, and Haitian/Creole. Additional language service details that are currently in place and will be used in the NY Exchange Customer Service Center include:

- **Oral Translation Services:** When an applicant or an enrollee speaks a language other than those spoken by the Consumer Service Specialists (CSSs) on staff, the Customer Service Center assists them through Language Line translation services. This service is available during all service center operating hours and all callers are provided this service free of charge. The process for using Language Line services is simple: the CSSs stays on the line with the caller and conferences in the Language Line interpreter, so the caller never has to hang up and call another number for translation assistance. Language Line currently interprets more than 170 languages.

- **TDD Capability**: Individuals with special communication needs must be provided an equal opportunity to interact with our CSSs. The NY Exchange Customer Service Center will provide accessibility for hearing- and speech-impaired callers through the use of a

software-based Teletype (TTY) system. A separate, dedicated toll-free number is maintained for TTY calls, which transfers these calls directly to the TTY system. Incoming TTY calls are announced with a screen-pop and audible ring alert to the CSSs. Designated CSSs communicate with TTY callers through an intuitive, user-friendly on-screen "chat window" interface facilitating effective response to callers. CSSs are trained to follow appropriate TTY etiquette and use industry-standard abbreviations.

- **Other Translation Services:** The NY Exchange Customer Service Center will respond to requests for applications and other and other materials in English, Spanish, and other languages required for New York population groups, such as Chinese, French Creole, and Russian. As requested, materials are also distributed in the appropriate languages in audio format.

The user interface of the online portal will take into account usability and accessibility by individuals living with disabilities as well as individuals with limited English proficiency. The online portal will be available in English only on October 1, 2013, but will add Spanish and other languages in the future, and will contain taglines in other languages informing consumers that language assistance is available at no cost.

The NY-HX solution incorporates usability recommendations from ACA Section 1561 and will comply with the US Rehabilitation Act Section 508 requirements. It will guide the user through the selection process with easy to follow, simple language format (4th grade reading level), and contemplates conditional questions to elicit the minimum information necessary to make eligibility determination. The screens are being designed using elements including aspects of “look and feel” from both the UX-2014 project (a multi-state/federal/foundation collaborative design project utilizing human subject research to improve the Exchange customer experience). The base application and the underlying Content Management System are both designed to have the capacity to support multiple languages.

Paper applications will be available in 18 point font for the visually impaired. Notices will be in HTML format (for those opting to receive notices electronically). Large font notices will also be available upon request.

The SHOP Exchange will develop standard procedures for applications, updates, and redeterminations. When employers enter the SHOP Exchange and are approved for participation in the SHOP, they will be able to select plans for Employee choice or have a Broker or Navigator/IPA complete this process for them. After employees are entered into the system, either manually or via roster upload, they will be able to begin selecting their insurance option and completing the application process. Notice will be provided to employees, either in writing or via email (or both) that their employer has selected health insurance options for them within the Exchange, and they will be provided with instructions on how to proceed. SHOP has established an open enrollment for Employers of up to 30 days and for employees of up to 30 days. Enrollment will always close 30 days before coverage becomes effective. For re-enrollment, the Employer will be allowed 30 days for plan selection, then employees will be allowed 30 days for plan selection. Again open enrollment will end a minimum of 30 days prior to coverage becoming effective in compliance with §155.725 (c)

The SHOP Exchange will identity proof (level 3) all employers/assistors who are entering the enrollment portal to complete enrollment applications, and will verify identify of employees (level two) as required by HHS. In addition it will verify, as mandated in §155.175, that an individual applicant is identified by the employer as an employee to whom the qualified employer has offered coverage, and will otherwise accept the information attested to within the application unless inconsistent with employer-provided information. Presence on the employer’s employee roster, and the associated system generated identification number linking employee to employer will be assumed to be valid identification for an employee’s eligibility.

Upon receipt of an application, the employer's online account will be updated and allow for tracking of all enrollments. As applications are processed, appropriate 834 enrollment transactions for approved applicants will be transmitted by the Exchange to issuers, along with aggregated premiums from employers. The SHOP Exchange will notify both employer and employee upon verification of enrollment by a QHP. The Carrier will also be required to issue member ID cards and welcome packets, consistent with §156.260(b). Electronic submission of applications will be encouraged, but applications will be accepted in-person at designated locations, over the phone, and by mail, as required by the ACA.

In October 2013, an employer will be limited to only using an EIN once per group application. The process of ensuring that an employer has only one application is depicted in EPIC 7096, part of artifact 6.1.2.

Renewals will be done on an annual basis in the SHOP Exchange, upon the anniversary date of the employer's group policy. Notification will be provided to employers, and employees, prior to the anniversary date, and option given to change selections from the previous year.

3.4 Notices and Data Matching, Annual Redeterminations and Response Processing

3.4 b Periodic Data Matching

As per 45 CFR 155.330 (d)(2), the NY-HX plans to implement data matching processes with the Social Security Death Index and the Public Assistance Reporting Information System to identify changes in circumstance related to death or eligibility for public programs. If the data match results in a change in eligibility, the consumer will be informed of the change and the date of enrollment/disenrollment and will be given an opportunity to respond to the finding from the data match.

3.4 c Annual Redeterminations

The Exchange plans to conduct annual redeterminations, including the ability to process redeterminations on-line, via mail, phone and in person (see 3.3). The Exchange also plans to implement an automated administrative renewal process for individuals that agree that their tax information may be accessed for this purpose. Initial development focus is on application functionality, but discussions are underway regarding renewals. As discussed in 3.3, current Medicaid and CHIP enrollees will have their annual redeterminations processed in the legacy systems until the new eligibility system is fully automated and stable.

3.5 Verifications

New York generally plans to align with the FFM process flows and draft business service definitions (BSDs) provided to date, as outlined in its verification plan and in the FDDs submitted with this report, in terms of its approach to data sources for verifications for residency, citizenship and immigration status, incarceration, household income, tax household size, whether an individual is an American Indian, enrollment in an eligible employer-sponsored plan (if applicable), and eligibility for qualifying coverage in eligible employer-sponsored minimum essential coverage. New York plans to accept attestation for family/household composition. New York submitted its MAGI verification plan to CMS for approval in February 2013 and submitted two revised verification plans, the last in July 2013, and is awaiting approval.

New York plans to use all required federal data hub services made available to states for Exchange eligibility determinations and verifications. As outlined in the release schedule, several of the required hub services

(e.g. VLP services to support steps 2 and 3 for verification of lawful presence) will be deployed post October 2013 but prior to enrollments effective for January, 2014. New York also desires to utilize an optional federal income verification service (TALX). We were unaware TALX was going to be made available as a potential income verification source until too late in our build/release schedule to be able to incorporate it for October 2013. We plan to incorporate the use of TALX as soon as we can after go live pursuant to our change request process. Examples of federal data hub services New York plans to use include, but are not limited to: SSN validation through SSA, citizenship/immigration status through SSA/DHS, incarceration status from the Prisoner Update Processing System (PUPS), tax household size, MAGI total household income, federal hub source available to verify eligibility for public minimum essential coverage (e.g. Medicare, TRICARE, Peace Corps MEC, Veterans health MEC). New York plans to check its own administrative data sources for enrollment in public MEC for Medicaid, CHP and any BHP offered. Additionally, New York will use data from the NYS Department of Corrections to supplement PUPS to verify incarceration status.

As provided in the ACA and final rules, and in anticipated conformity with the Federally Facilitated Exchange (FFM), New York generally anticipates relying on attestation, and verifying, where possible, against trusted electronic data sources before requiring, with the exception of specific circumstances, production of a paper document by electronic/upload or other means.

New York also continues to be interested in accessing a current/reliable federal electronic trusted data source to verify: residency, employer sponsored coverage (ESI) and/or minimum essential employer sponsored coverage (ESI/MEC), and American Indian/Alaska Native status.

New York has not identified a trusted data source for these factors of eligibility. New York has previously reviewed the Verification of Access to Employer Sponsored Coverage Bulletin dated April 26, 2012, and the recent MEC guidance issued May 8 2013, and anticipates using attestation in 2014 and a combination of attestation and sampling, to verify ESI/MEC for all IA programs in 2015. New York anticipates continuing to work with the FFM and other states to identify and agree on a shared, trusted source for ESI/ESI MEC that could more readily/easily facilitate employer reporting and where the costs could be lowered across multiple users, including assessment of the use and provision of the employer notice forms regarding minimum value and affordability of coverage offered.

New York is working to establish access to additional state data sources to enable more “real time” electronic verification against trusted data sources (to “ping” against data in real time, even where data may be for a past quarter or prior period), particularly with respect to sources of income. New York is in the final stages of establishing/amending existing MOUs and data sharing agreements with several state agencies (e.g. Tax and Finance, Department of Labor) to facilitate this process. The near term priorities are on automating access to wage reporting data, unemployment income, Title II income data currently available through Bendex, and new hire registry information

Based on the recent CCIIO announcement regarding limits on the ability of a state based Exchange to display FTI or Title II income to a consumer, New York has completely redesigned the income section of the online application to allow the consumer to enter their data by income source, if they do not believe their federal tax information is likely to remain similar from last year to next year. The consumer’s entry is verified behind the scenes and the reasonable compatibility rules applied.

New York has built one aligned annual income definition for all IA programs. New York’s approach defines current/reasonably anticipated future income on an annual basis, and aligns that definition with the definition for projected annual income. New York additionally applies an aligned, end- to- end “reasonable

compatibility" process to income eligibility determinations for all IA programs, although specific aspects of verification and timing vary by program in accordance with applicable federal guidance.

New York's "reasonable compatibility" approach enables application of rules (automated to the extent possible) to determine when an eligibility determination will be based on an attestation confirmed by a trusted data source, when the determination will be based on a data source with appropriate notice to a consumer, or when a further explanation or documentation may be required. This approach to annual income and reasonable compatibility is part of an overall effort to simplify and streamline the Exchange eligibility process for consumers, and to better support and enable New York's envisioned integrated Exchange eligibility determination by the Exchange for APTC/CSR, Medicaid, CHP and any BHP program. An aligned approach is particularly critical for a state like New York where the Exchange will conduct integrated eligibility determinations for enrollment in the appropriate Insurance Affordability Program.

Finally, New York plans to leverage the federal identity proofing service offered by Experian. Experian provides questions for a consumer and verifies against data available for a consumer, enabling the Exchange to confirm the individual's identity. New York is additionally interested in the potential to leverage this service as a verification source for residency, to the extent that this process can be automated, is reliable, and is not cost prohibitive. We understand that residence address within the state/service area of the Exchange is an element of the identity proofing process contributing to the confidence score for establishing identity. The Exchange plans to utilize a business service to validate addresses as being correct addresses within the state/service area of the Exchange. Given concerns about Experian's efficacy for identity proofing low income populations, we plan to augment this service with access to DMV records. The DMV interface will not be available by October 2013, but will be added by January 2014.

Section 3.6 Document Processing and Acceptance

As previously stated, New York intends to minimize the amount of documents that consumers will need to submit by mail to complete the application and redetermination process but realizes that some consumers prefer or will be required to submit documents by mail. Applications for both the Individual and SHOP Exchanges will be made available to consumers upon request via the New York Exchange Customer Service Center. As part of the application request process, the Exchange Customer Service Center will collect a limited set of information from the consumer (e.g. name of head of household, mailing address, and number of applicants) that would in turn generate an application package that contains a pre-printed application (with name and address pre-printed) and the appropriate number of application documents to be mailed to the consumer. This approach has the added benefit of easing the processing of the paper application once received in the Customer Service Center as the complete address registered at the time of the request would be pre-printed on the application and ensure that the NY Exchange had a complete address for which to send any required notices. This approach also allows the Exchange to prevent paper application version control issues such as having an inventory of "old" applications floating out in the state and being mailed into the Customer Service Center even after the application has been modified. Another benefit of the approach is that is allows the NY Exchange to keep a pulse on (forecast) how many paper applications would need to be processed and get a true view of the utilization of the paper channel. By analyzing the volume of application requests received via the portal and the telephone, the NY Exchange could always understand how much paper was out in the state and expected to be returned to the Customer Service Center. This ultimately allows for the better forecasting of the level of effort and staffing for processing of paper applications.

All documents related to applications and redeterminations that are mailed, uploaded via the NY HBE system, or faxed by consumers will be delivered to a centralized document processing unit. Documents received via mail or fax will be batched, scanned and, if a verification source or redeterminations, will be linked to the appropriate individual. Initial applications that are received via mail or fax are also batched, scanned, and processed with an account being created for the individual as part of the processing of the application. Documents uploaded by consumers online via the NY HBE system will be handled in a similar way with the NY HBE system sending the document information via a web service to the MAXIMUS MAXe system. This process triggers the creation of document processing tasks for back end workers. Technology including the MAXIMUS MAXe system and a Kofax imaging system along with operational procedures that incorporate document management and a system workflow manager component, being leveraged in our current operation, is responsible for moving a document from registration and processing to completion. The information from documents including data elements, a document control number (DCN), and the image of the paper document will be uploaded into the NY HBE system via a secure transfer process. The NY HBE accepts the image object and document attributes and stores them in Alfresco, the document repository. Downstream processes including the running of eligibility rules, triggering of notifications to consumers for missing information, and notification of eligibility determinations to consumers is handled via the NY HBE system.

Back office screens provide the functionality for back office workers to update or correct information on paper applications when data is missing or invalid. The consumer will have been notified via mail and/or electronically to provide missing information for their paper application. The back office workers will search for paper applications that have not been processed due to validation error(s) or existing applications that are awaiting verification documents and applications that may require the override of eligibility program determination. The missing data and verification documents received are used to update an application and allow for the application process to be completed. Department of Health (DOH) Eligibility Specialists will also be provided with an override function to reverse an eligibility decision.

Section 3.7 & 3.8 Individual Eligibility Determinations and Capacity to Determine Eligibility for APTC and CSR

New Yorkers seeking health care coverage in 2014 will be able to apply for or buy health insurance, learn more about their options, and get assistance online, by phone, by mail, or in person. An individual who wants to purchase a QHP without subsidy through the Exchange will be required to qualify based on their citizenship/lawfully residing status, not being incarcerated (this will be verified by check “behind the scenes” per 3.7 b1 and 2), and residency in the state/service area of the Exchange.

Sections 3.7 b1 and b2 and 3.8 Integrated Eligibility Determinations

New York is taking an integrated approach to determining eligibility for all insurance affordability programs by developing an IT systems solution to process applications and determine eligibility for Medicaid (MA) for the MAGI population, Child Health Plus (CHP), the Advanced Premium Tax Credit (APTC), and Cost-Sharing Reductions (CSR). The NYS Health Benefit Exchange (Exchange) will provide a streamlined, consumer-centric application process that results in near real-time eligibility determinations and automates processes to the maximum extent possible. This section first describes the online (“self-service”) application process for an individual requesting financial assistance to obtain health care coverage, followed by a discussion of the envisioned “back end” eligibility determination support process for both on-line consumers and those submitting applications by mail or in person.

The first step in the application process, after creating an account and logging in, involves a consumer building a profile of their household. Questions will be conditional and will elicit basic demographic information about the primary applicant (usually, but not necessarily, the account holder) and all individuals in his/her household, including name, date of birth, social security number, gender, and whether or not they are applying for health coverage. Questions gather information about pregnancy and student status. Consumers also provide information about familial relationships to the primary applicant and to other household members as well as anticipated tax filing status and relationships (filer, dependent) of all individuals in the household. Lastly, the application collects information about the citizenship or immigration status for those household members applying for coverage. A question will be included regarding whether any member of the household has a disability or special health care need (e.g. long term care).

At this point in the application process, the NY-HX has the data elements needed in order to validate social security number and verify citizenship or immigration status from the Federal Data Hub. While the information is being validated and verified by the Hub[1], the application will continue to collect residency information as well as information about race/ethnicity and American Indian/Alaskan Native status from the consumer. It will also do some verification checks in the "background"- for incarceration status, and for enrollment in other public minimum essential coverage (e.g. Medicaid, CHP, Medicare, Veterans).

The consumer will then continue through the application process by attesting to or constructing his/her current projected annual household income. The Exchange had planned to first query the Federal Data Hub for the consumer's federal income tax information and display that information to the consumer, and New York had already designed and developed its approach and functionality along these lines as indicated in the demonstration at the design review in April, 2013. However, based on the information provided by CCIIO on May 10, 2013, New York has completely reworked the income section to no longer display any income data from the verification sources. Instead, the consumer will provide the income information and it will be verified behind the scenes.

As before, the consumer starts with a question on his/her federal income tax data, but the consumer does not see this data. Instead, he/she attests to whether their tax data in the coverage year is expected to be similar to their last tax filing, similar to the question posed by the FFM. If the consumer responds no, that their income is not expected to be similar, the consumer is given the opportunity to construct the household's income by individual and by income type (i.e. wages/earnings, unearned income, "other"). New York is planning to use State and other federal data sources, such as NYS Department of Labor (UIB), NYS Department of Tax and Finance (wage reporting), SSA (Title II retirement income to verify income, though nothing will be identified to the consumer.

The third step in the application process is to collect information about other minimum essential coverage (MEC) or available third party health insurance, including employer-sponsored coverage. Information will be collected to determine availability/affordability of MEC or whether coverage is cost-effective in terms of potential Medicaid program coverage/premium assistance payments. For those individuals who indicate they have access to or are enrolled in employer sponsored health insurance, questions will additionally be included regarding the contact information and employer identification number(s) for his or her (or related individual's) employer(s), whether the applicant or related individual is employed on a full-time basis, whether the applicant's or related individual's employer provides minimum essential coverage, and if so, the required employee contribution for the second lowest cost plan offered by the employer.

[1] Decisions regarding whether/to what extent and at what points in the flow the Exchange will employ individual vs composite calls to the federal data hub are pending/evolving as system development proceeds.

At any point in the application process, information provided by consumers that is not/cannot be verified through the Federal or State Data Hub or that does not meet the reasonable compatibility guidelines set forth by the Exchange will be noted, and the consumer given the opportunity to provide documentation to satisfy the eligibility criteria for IAPs. Notices will be provided and appropriate clocks (e.g. 90 days from receipt of notice for citizenship/immigration status) will be set for consumers to provide documentation.

At this point in the application process, the NY-HX will have collected all of the information needed in order to perform an eligibility calculation. Eligibility will first be determined for Medicaid and Child Health Plus based on Modified Adjusted Gross Income. If the individual is not eligible for Medicaid or Child Health Plus, then eligibility will be determined for Advanced Premium Tax Credit. Based on the results of the eligibility determination, individuals will move forward to select and enroll into a health plan. If the individual is eligible for APTC, the maximum advance premium tax credit will also be calculated and displayed to the consumer. (see 3.12 b)

The Exchange will provide integrated application assistance for consumers applying online as well as those applying by mail or by phone. New York intends to centralize the back end operations for eligibility determinations for all individuals receiving an APTC and for new enrollments in Medicaid and Child Health Plus for the MAGI population. The centralized eligibility and enrollment processing unit will be staffed by a combination of state and vendor staff and will perform eligibility and enrollment operations for both the Individual and SHOP portals, using the new IT systems solution, in a manner designed to ensure consistency of outcomes based on self-service and other channels/forms of assistance. In addition, the State will operate a Call Center staffed with customer service representatives that will assist consumers over the phone and via co-browsing sessions, to help ensure high quality customer service and consistent outcomes. The call center representatives will also assist consumers in understanding what health plans are available and selecting a health plan based on their program eligibility and their personal preferences. Call center representatives will also educate consumers on the requirements associated with enrolling in a QHP with/without subsidy.

This centralized approach to providing application assistance and renewal processing seeks to simplify the process for a consumer and minimizes the transfer of applications among agencies. The Exchange will utilize a hybrid vendor/state staff model for renewing coverage for IAPs determined through the Exchange. Most renewals will be processed by a centralized processing unit which will handle renewals automated for consumers renewing online and provide back end support to those renewing by phone or by mail.

New York is continuing its progress towards centralizing and automating Medicaid eligibility and enrollment functions, but it is anticipated that local districts will continue to accept and process applications for non-MAGI Medicaid, for the next several years, and potentially continuing thereafter, subject to ongoing discussions and contracting arrangements. New York continues to work through the communications and Coordination requirements for processing mixed MAGI/non-MAGI Medicaid households, as it transitions from existing legacy eligibility systems to an integrated Exchange system of record for all health coverage programs, including MAGI and non-MAGI Medicaid. Finally, as noted above, some local departments of social services will continue to accept renewals for MAGI enrollees for a period of time into 2014.

Section 3.7c SHOP eligibility

For a business to be determined eligible to participate in the SHOP exchange, it must be a valid business, attesting to employing 50 or fewer employees and to offering health insurance to all eligible employees. New York State plans to retain the 50 employee limit to 2016. The business must have its primary office or

a work site in New York State. The Exchange will verify business information through an interface with the State Tax Department.

An eligible employee is anyone to whom a qualified employer makes the offer of insurance as indicated on the roster of employees submitted by the employer. An employee will be able to purchase health insurance through the Exchange from the plans preselected by their employer.

SHOP will not require employers to enroll part-time employees, but will allow and encourage such enrollments as employers choose to offer.

Individuals excluded from SHOP (termination, waiver, ineligible, etc.) will be provided information on applying for insurance through the Individual Exchange, and if applicable will be provided with COBRA eligibility information, but will not be screened for APTC in the SHOP Exchange (in compliance with federal regulations).

Section 3.7 d Applications from other agencies

New York does not envision MAGI applications being transferred to the Exchange from other agencies. Rather, all MAGI applications would be centralized through the integrated system, submitted through the on-line portal, or if mailed or submitted by phone or in person, input into the new system, as outlined in 3.3.

Section 3.9 Applicant and Employer Notices

The Exchange is developing the capacity to independently send notices, as necessary, to applicants and employers pursuant to 45 CFR 155 Subpart D that are in plain language, address the appropriate audience and meet content requirements.

The Exchange will generate notices, to the maximum extent practicable, through an automated process in regards to eligibility and enrollment determinations, appeals, and other required communications pertaining to Medicaid for the MAGI population, Child Health Plus, and the Advanced Premium Tax Credits. Notices will be created dynamically and will be stored in the Exchange content management system. New York will be working with the Maximus Center for Health Literacy to develop the content of required notices for applicants and employers in plain language, and has leveraged work by Manatt Health Solutions (Manatt) on model notices through participation in the federal/state Coverage Learning Collaborative and with assistance from MaxEnroll and the Robert Wood Johnson Foundation. New York is developing the capacity to store and make notices available on an individual's online account, and plans to mail any legally required eligibility notices to an individual/household only in those cases where the application filer has not opted to receive electronic notices in lieu of mail.

The Small Business Exchange (SHOP) will utilize automated notices for eligibility notification as well as for notifying users of other significant actions. For users electing paper as their preferred means of contact, these notices will be mailed. Otherwise, the notice will reside in the user's secure online mailbox, with an email alert sent to the users public email account advising them that new information is awaiting them in their secure inbox.

Supporting Documentation – see attachments 3.9.1, 3.9.2

- Employer Eligibility Notice
- Employee Welcome Notice

Section 3.10 Individual Responsibility Determinations and Payment Exemptions

Working with CCCIO, the FFM and other states through the EI LC learning collaborative, New York has defined the requirements and processes for consumers seeking an exemption process. New York will invoke the federal service for exemption determinations per 42 CFR 155.625. Information regarding the bases for exemption, the potential to claim exemptions through the IRS/tax process, and information regarding the process for a New York resident to seek an exemption certification from the FFM by mail in 2014 will be provided on the Individual Exchange public landing page. Per recent guidance, New York will assist consumers in requesting exemption certification from the FFM based on affordability or hardship grounds by enabling consumers to submit an application for financial assistance and decline coverage through the New York Exchange. The consumer will be directed to mail their printout of eligibility results including their APTC and the cost of the applicable lowest cost bronze plan to the FFM. The FFM will process the requests, issue exemption certifications, and complete any required 1095 certification reporting.

Section 3.12 Individual QHP Plan Selection

The NY-HX has designed and is developing its plan selection functionality based on the submitted FDD. Depending on a consumer's eligibility, appropriate health plan options (Medicaid, CHP, and Qualified Health Plans) will be presented to the consumer. Plan selection filtering and sorting criteria can be customized to the individual's eligibility and personal preferences. Consumers will be able to view plans based on criteria such as metal level, cost, quality, and provider network. It will also include functionality for a consumer to change the amount of their advanced premium tax credit to apply toward coverage and recalculate their premium costs, as well as to decline coverage for an exemption request to the FFM based on affordability or hardship grounds. Once a consumer selects a plan for each person applying for coverage an enrollment transaction (834) will be generated and sent either to the plan (e.g. QHP) or the state MMIS system (e.g. Medicaid). The consumer will receive a confirmation message indicating that their information has been sent to the plan they selected for enrollment, and directing them to any "next steps" needed (e.g. payment of premium to the health plan). The Individual Exchange is not administering premiums.

3.12a Individual QHP Plan Processing

NY-HX will be able to generate an 834 enrollment transaction and receive a confirmation. The functionality to receive and reconcile information from an issuer 834 is also being developed. New York has been working with health plans and other experts to discuss standards, required data elements and implement the new ACA 834 transactions (5010), with broader issuer testing scheduled to commence later this month.

3.12b Capacity to Compute APTC

The NY-HX plans to assist a consumer is constructing their MAGI household and income as outlined in 3.7/3.8 and 3.5, in order to be able to compute and determine eligibility for APTC and relevant cost sharing reductions. The NY-HX will provide the estimated applicable maximum advance premium tax credit to a consumer for a determination as to how much of the APTC the consumer seeks to have applied, and will provide information about available cost sharing reductions based on selection of a silver level plan. The Federal Poverty Level of the household, and other applicable factors (e.g. American Indian status). This information will be provided to the consumer to enable them to utilize it as part of plan selection, including a slider/tool to help calculate the impact of electing receipt of various levels of APTC

3.12 c Capacity to Reconcile APTC and QHP plan selection

The Exchange plans to reconcile and report, as appropriate, APTCs based on reported changes in household circumstance or income that affect eligibility or plan selection.

3.12 d SHOP QHP Plan Selection

The Exchange has relied heavily on leveraging plan comparison and selection functionality from HCentive. An employer will be able to select a level of coverage and offer all plans within that level to employees as well as other options in plan choice for employees, with decision support tools including a premium calculator. Employers will have the ability to filter plans based on many factors including but not limited to region, cost, and metal levels. SHOP has developed a broker module with the functionality of the Employer and Employee portals. Based on current practices, it is anticipated that brokers will provide assistance to many of the SHOP employers. An employee will be able to access plans selected by the employer and further filter according to factors such as cost, provider network and quality ranking. The display and sorting of insurance plans for employees will closely parallel the display in the Exchange for individual consumers.

The SHOP system currently has functionality to support brokers similar to that available to employers on the Employer portal, and allows for tracking of Broker clients. Additional functionality will be incorporated into future system releases.

3.12 e SHOP QHP Plan Processing

SHOP will generate an 834 enrollment transaction to each issuer, will receive confirmation and reconciliation reports from the issuer. New York has worked extensively with health plans and other experts to establish standards and required data elements for the new ACA 834 transactions (5010) as well as for group enrollment files and RJ text files that will be used in the case of envelope errors.

Section 3.13 Reporting

The Exchange will have the capacity to generate electronic reporting of results of eligibility assessments and determinations, and provide associated information to HHS, IRS as required for reconciliation of enrollment information that affects APTC calculations, and with respect to individual mandate exemptions and determinations regarding affordability of ESI minimum essential coverage (MEC), with respect to employers with an employee qualifying for an APTC on the basis that such insurance was not MEC.

Section 3.14 Pre-Existing Conditions Insurance (PCIP) Transition Plan (New York Bridge Plan)

New York transitioned Bridge Plan members to the federal PCIP program on July 1, 2013. CMS will develop and implement the transition plan for federal PCIP enrollees in New York.