State Health Reform Assistance Network &
Maximizing Enrollment

ISSUE BRIEF
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"Reasonable Compatibility" Straw Models: Federal Requirements and State Options for Constructing a State's Financial Reasonable Compatibility Standard

Prepared by ***Deborah Bachrach and Kinda Serafi,*** *Manatt Health Solutions*

INTRODUCTION

Following the enactment of the Affordable Care Act (ACA), many states are working diligently to develop systems that will determine eligibility for Medicaid, CHIP and advance premium tax credit and cost sharing reductions (APTC/CSR) through the new health insurance exchange portals. In March, the Centers for Medicare and Medicaid Services (CMS) released final rules on Medicaid eligibility and establishment of exchanges detailing eligibility changes under the ACA that include guidance on the standards under which states determine when income information provided by an individual can be considered reasonably compatible with information obtained through verification data sources. These "reasonable compatibility" standards provide critical flexibility to operationalize eligibility decision-making by allowing states to accept some deviations in income data from different sources.

In January of 2012, the Robert Wood Johnson Foundation's State Health Reform Assistance Network (*State Network*) and National Academy for State Health Policy (NASHP) hosted a meeting of state and federal officials to discuss policy implications of the new ACA income verification requirements. As part of that meeting, states requested additional resources to support their understanding of how reasonable compatibility standards might work in practice. In conjunction with the Foundation's Maximizing Enrollment and *State Network* programs, Manatt Health Solutions has created these **Reasonable Compatibility Straw Models** to help state implementers better understand how to operationalize the federal rules in their state systems. The following slide deck contains:

- An overview of reasonable compatibility requirements and how they fit into the new streamlined eligibility framework required under the ACA;
- Straw models for Medicaid, CHIP, and APTC/CSR requirements to help states construct verification processes consistent with the reasonable compatibility standards; and
- Illustrative examples of how the reasonable compatibility standards might work in practice for individuals at various income levels.

ABOUT STATE NETWORK

State Health Reform Assistance Network, a program of the Robert Wood Johnson Foundation, provides in-depth technical support to states to maximize coverage gains as they implement key provisions of the Affordable Care Act. The program is managed by the Woodrow Wilson School of Public and International Affairs at Princeton University. For more information, visit *www.statenetwork.org*.

ABOUT MAXIMIZING ENROLLMENT

Maximizing Enrollment is a $15 million initiative of the Robert Wood Johnson Foundation launched in June 2008 and directed by the National Academy for State Health Policy. The four-year program will help states improve their systems, policies and procedures by providing them with an in-depth assessment of the strengths and weaknesses of their current Medicaid and CHIP enrollment and retention systems, and assisting them with implementation strategies to cover more eligible but unenrolled children and to measure their progress. For more information visit, *www.maxenroll.org*.

ABOUT THE ROBERT WOOD JOHNSON FOUNDATION

The Robert Wood Johnson Foundation focuses on the pressing health and health care issues facing our country. As the nation's largest philanthropy devoted exclusively to health and health care, the Foundation works with a diverse group of organizations and individuals to identify solutions and achieve comprehensive, measureable and timely change. For 40 years the Foundation has brought experience, commitment, and a rigorous, balanced approach to the problems that affect the health and health care of those it serves. When it comes to helping Americans lead healthier lives and get the care they need, the Foundation expects to make a difference in your lifetime. For more information, visit *www.rwjf.org*. Follow the Foundation on Twitter *www.rwjf.org/twitter or* Facebook *www.rwjf.org/facebook*.

For more information, please contact Kinda Serafi at kserafi@manatt.com or (212) 790–4625.

Additional information on reasonable compatibility is available in an archived version of the July 16, 2012 webinar hosted by the *State Network* and Maximizing Enrollment, a program directed by NASHP. During the webinar the authors of this resource walked through the straw models and state and federal officials provided additional insights on the reasonable compatibility standards.

Acknowledgements

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“Reasonable Compatibility” Straw Models: Federal Requirements and State Options

Support for this report was provided by two Robert Wood Johnson Foundation national programs: State Health Reform Assistance Network and Maximizing Enrollment

Deborah Bachrach and Kinda Serafi

Manatt Health Solutions

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Robert Wood Johnson Foundation

Table of Contents

- Background
- Reasonable Compatibility Overview
- Medicaid/CHIP
  - Federal Verification Requirements
  - Medicaid Straw Model
  - Medicaid//CHIP Considerations
  - CHIP Straw Model
  - CHIP Specific Considerations
- Advance Premium Tax Credits (APTC)/Cost-Sharing Reductions (CSR)
  - Federal Verification Requirements
  - APTC/CSR Straw Model
  - APTC/CSR Premium Assignment Implications
- Illustrative Straw Model Case Examples

BACKGROUND

Background

Support for the following analysis was provided by grants from the Robert Wood Johnson Foundation's State Health Reform Assistance Network and Maximizing Enrollment programs.

Special thanks to:

- CMS Medicaid and CHIP Learning Collaborative
- Anne Marie Costello, Director, Division of Eligibility, Enrollment and Outreach, Centers for Center for Medicaid, CHIP & Survey and Certification
- Ben Walker, Health Insurance Specialist, Eligibility and Enrollment Team, Office of Health Insurance Exchanges, Center for Consumer Information and Insurance Oversight
- National Academy of State Health Policy
- New York State Department of Health

REASONABLE COMPATIBILITY OVERVIEW

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Income Verification and the Reasonable Compatibility Standard

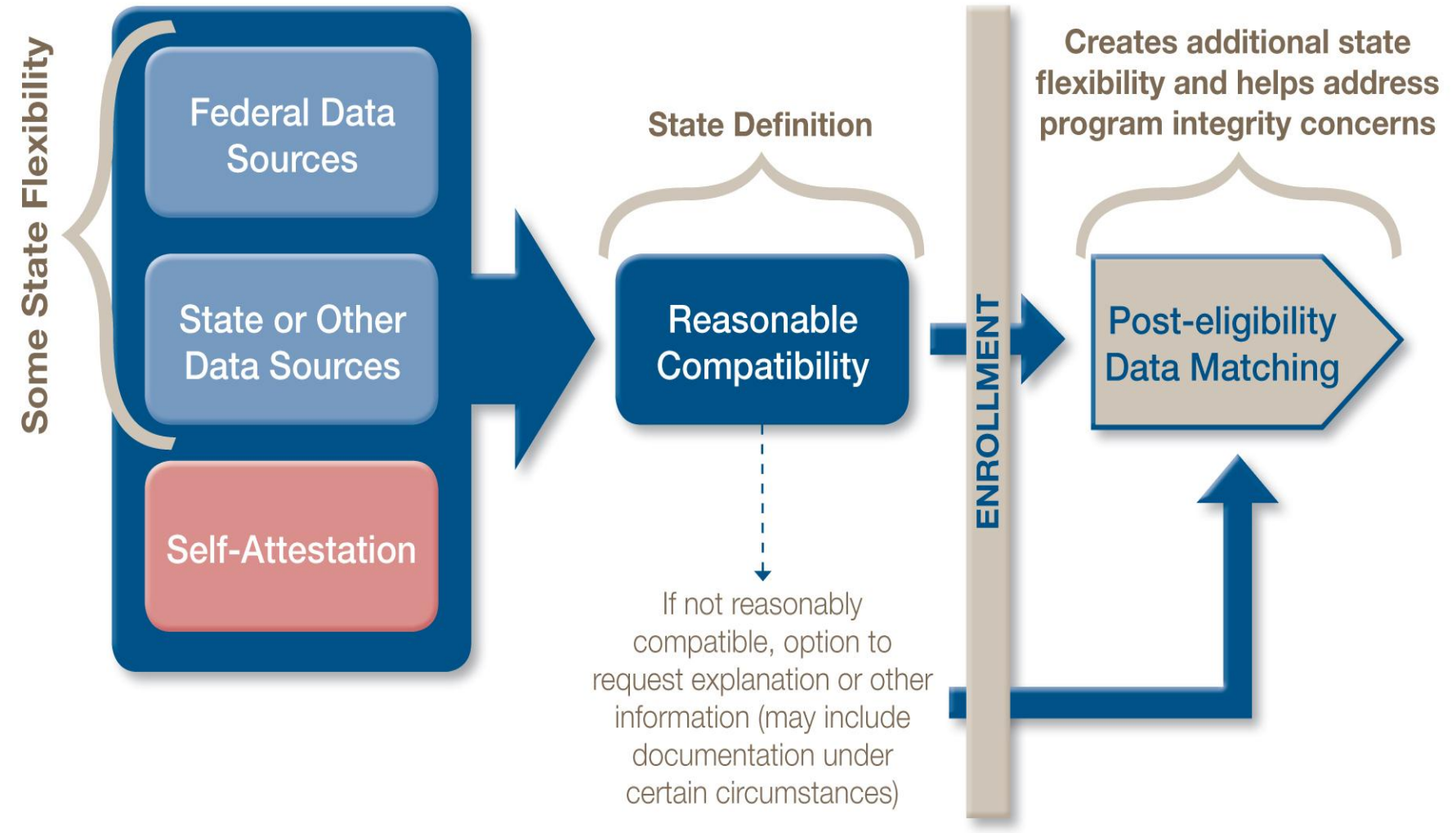
- **Regulations.** On March 23, 2012, CMS published final and interim final regulations to guide eligibility determinations including application of the Reasonable Compatibility Standard for Medicaid, CHIP and Advance Premium Tax Credit/Cost-Sharing Reductions (Insurance Affordability Programs).
- **Verification.** Eligibility determinations must be based, to the maximum extent possible, on **self-attestation of income** verified by information obtained from **electronic data sources**.
- **Reasonable Compatibility.** When information obtained through electronic data sources is **reasonably compatible** with an individual's attestation of income, the attestation is considered verified and may be relied upon by the Exchange or the Medicaid/CHIP Agency.
  - In some cases, the attested income information will be different from the income data obtained by the state through electronic or other data sources. Attestation and data sources are **reasonably compatible** if "the difference or discrepancy does not impact the eligibility of the applicant."
- **Documentation.** When data obtained by a state is **reasonably compatible** with an applicant's attestation, no additional documentation may be required.
- **Flexibility.** States have flexibility in defining a **reasonable compatibility (RC)** standard for Medicaid, CHIP and APTC/CSR.

Considerations for Constructing a Reasonable Compatibility Standard

In constructing a RC Standard, state decision-makers will want to consider how best to:

- **Maximize automation**
- **Minimize need for paper documentation**
- **Avoid income-based coverage denial**
  - If information is inconsistent, ensure that applicant is enrolled in coverage at lowest subsidy level rather than denying coverage
- **Maintain a simple and transparent process for consumers**
- **Ensure program integrity**

Role of Reasonable Compatibility in Verification Process



CONSTRUCTING A VERIFICATION PROCESS AND REASONABLE COMPATIBILITY STANDARD FOR MEDICAID AND CHIP

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Federal Verification Requirements and Reasonable Compatibility Standard

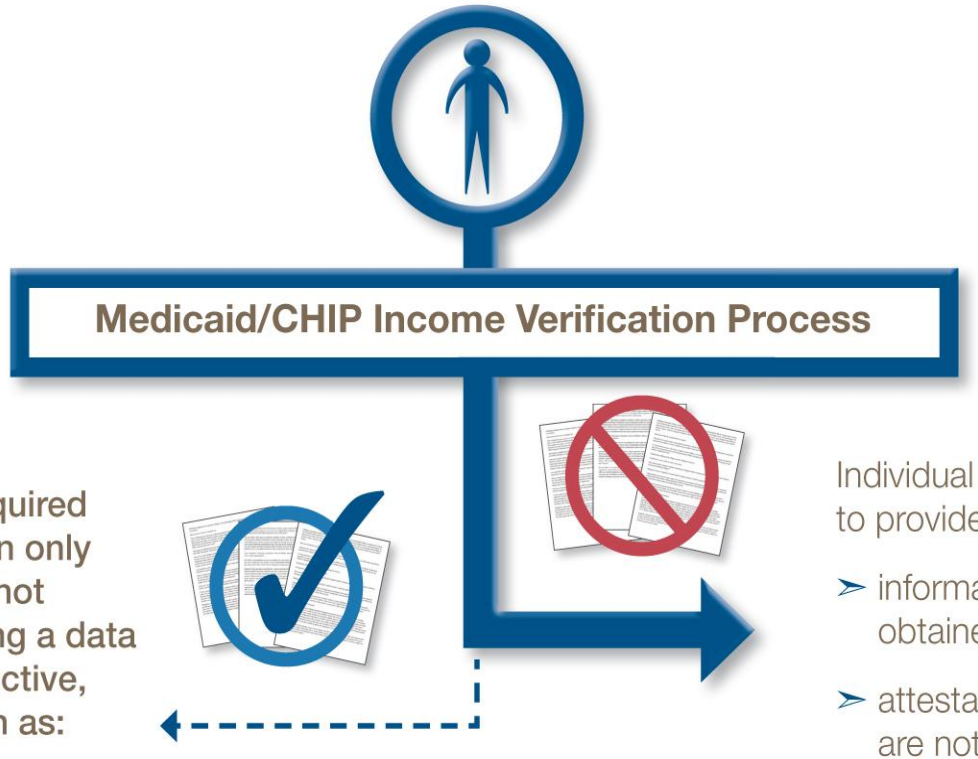
- **Attestation.** The Medicaid/CHIP agency may accept **attestation** of information needed to determine the eligibility of an individual for Medicaid/CHIP without requiring further information.

- **Attestation and Data Comparison.** Household income information obtained through an electronic data match is reasonably compatible with income information provided by or on behalf of an individual **if both are either above or both are at or below the applicable income standard.**

- **Modified Adjusted Gross Income (MAGI) and non-MAGI.** Reasonable compatibility standards apply to both MAGI and non-MAGI and MAGI individuals. (MAGI-based income uses the same financial methodologies as defined in the IRS Code.)

Medicaid Eligibility Final Rule (§ 435.952 and preamble), March 2012.

Paper Documentation Requirements



An individual may be required to submit documentation only when electronic data is not available and establishing a data match would not be effective, considering factors such as:

1. Impact on program integrity (potential for ineligible individuals to be approved as well as for eligible individuals to be denied coverage)
2. Administrative costs associated with establishing and using the data match vs. administrative costs associated with relying on paper documentation

Individual ***must not*** be required to provide documentation unless:

- information cannot be obtained electronically or
- attestation and data sources are not reasonably compatible.

Medicaid Eligibility Final Rule (§435.952(c)), March 2012

Federal Requirements: Verification Plan

- The state Medicaid/CHIP agency must develop a Verification Plan describing the Agency's:
  - verification policies and procedures;
  - standards for determining the usefulness of data (e.g., when the state will use IRS data and/or current data sources); and
  - circumstances under which it will consider information provided by an applicant to be reasonably compatible with information obtained through an electronic data match, i.e., state's reasonable compatibility standard.
- The policies described in the state's Verification Plan will serve as the basis for payment error rate measurement (PERM) audits.
- Upon request, Verification Plans must be available to Secretary of HHS.

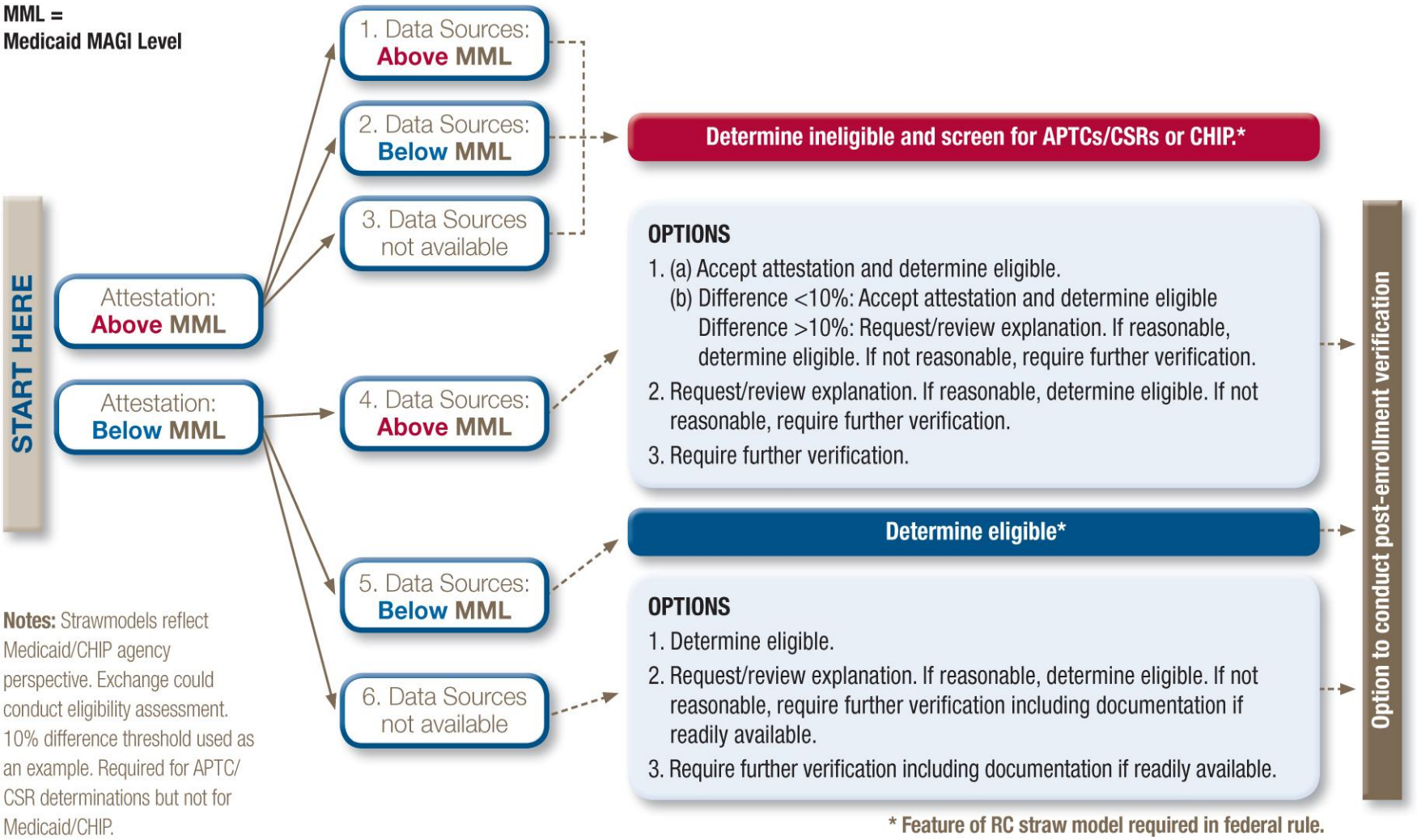
Medicaid Eligibility Final Rule (§ 435.945 and preamble), March 2012.

Medicaid Reasonable Compatibility Straw Model

The **Medicaid Reasonable Compatibility Straw Model** on the next slide was designed to help states map out decision processes using a reasonable compatibility standard. This model addresses the following questions:

- ✓ When must the state find attestation and electronic data reasonably compatible?
- ✓ When may the state find attestation and electronic data reasonably compatible or not reasonably compatible?
- ✓ What are the state's range of options for constructing a reasonable compatibility standard?
- ✓ When electronic data sources are not available what are the state's range of options for constructing a reasonable compatibility standard?

Medicaid Reasonable Compatibility Straw Model



Medicaid Reasonable Compatibility: State Policy Decisions

As shown in the preceding straw model:

- Income attestation and data sources are considered reasonably compatible when:
  - Both attestation and data are below Medicaid MAGI levels.
  - Both attestation and data are above Medicaid MAGI levels.
  - Attestation is above Medicaid MAGI levels (regardless of whether obtained data is above or below Medicaid MAGI levels).

- Federal regulations are silent on how to define reasonable compatibility for Medicaid when attestation is below Medicaid MAGI levels and the data is above Medicaid MAGI levels. States have the option to:
  - Accept attestation and conduct post enrollment verification.
  - Mirror Exchange 10 percent threshold test.
  - Use different percentage or dollar amount.
  - Request and review an explanation to see if reasonable.
  - Request additional documentation whenever there is a discrepancy.

Reasonable Compatibility: State Policy Considerations

- In developing its reasonable compatibility standard and in identifying circumstances under which a state will rely on attestation, a state will want to consider:
  - Reliability of data sources
  - Timeliness of data sources
  - Level of comfort with post-eligibility verification
- States may wish to review explanation and resolve inconsistencies when an applicant's attestation is above Medicaid MAGI levels but the data sources fall below Medicaid MAGI levels. This may be an important consumer protection.
- States may wish to construct a hierarchy among data sources to resolve conflicts when data is retrieved from multiple sources.
- While the straw model proposes as an example a 10 percent reasonable compatibility standard, another possible approach would be to rely on a dollar amount threshold instead of a percentage.
  - A dollar amount ensures that all applicants, regardless of income, will receive the same flexibility in determining whether a discrepancy impacts eligibility for coverage.
  - Using a standard dollar threshold may also make sense in cases where it will affect premium costs. For example, New York may employ a $15 threshold because $15 is approximately the difference in premium costs from one CHIP premium band to another.

Post-Enrollment Verification: Oklahoma Model

- Oklahoma relies on post-enrollment verification.
- If an individual attests to income below the Medicaid level and no real time income data refutes the attested income, an individual will be enrolled pending post-enrollment verification.
- Once reliable and timely income data is available to verify eligibility, the State conducts post-enrollment verification and will dis-enroll individuals who are ineligible based on the most recent applicable data.
- Oklahoma also currently conducts continuous post-enrollment, back-end data matching for all enrollees.
- Oklahoma has lower error rates in the program compared to other states.

Documentation Considerations

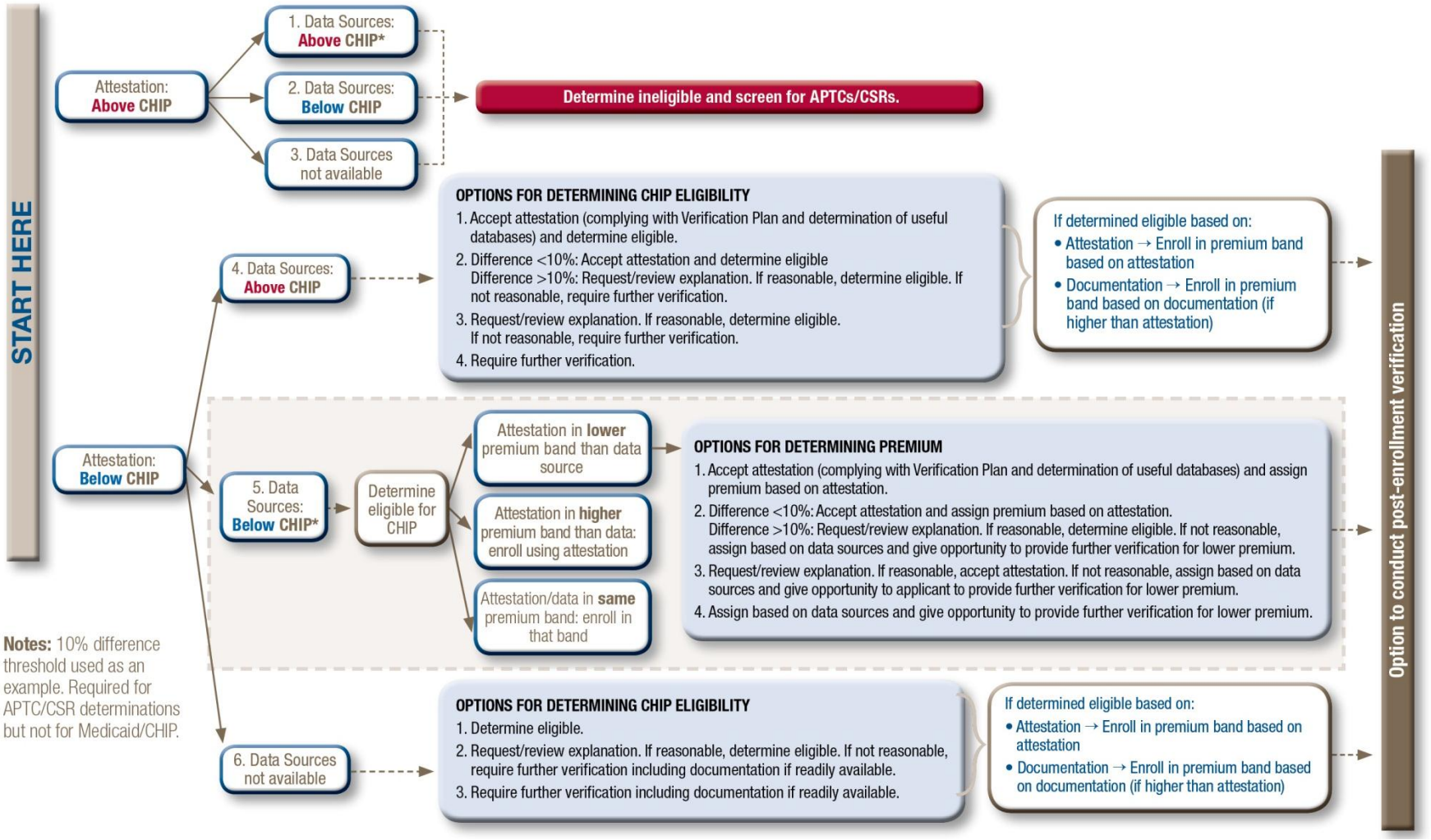
- In circumstances where a state determines that further documentation is necessary, states may consider automated solutions to support documentation, such as:
  - Scanning documents
  - Allowing individuals to upload a picture of a document
  - Providing bar-coded forms to enable documents to be automatically matched to electronic case files
  - Using customer-facing electronic accounts to allow individuals to share electronic documents and e-notices to notify individuals of needed documentation
- Automated and electronic solutions can support future documentation efforts, by building an information database the state can access for future eligibility reviews, and may also prevent individuals and state workers from being required to exchange paper documents, which can be expensive and burdensome to manage.

CHIP Reasonable Compatibility Straw Model

The **CHIP Reasonable Compatibility Straw Model** on the next slide builds off the **Medicaid Reasonable Compatibility Straw Model**, but is adjusted to allow states that impose premiums for CHIP beneficiaries to use reasonable compatibility (RC) standards to make an income determination so that they can determine eligibility for premiums. Key concepts include:

- ✓ The state must first construct a reasonable compatibility standard for verifying income and determining CHIP eligibility.
- ✓ For purposes of determining CHIP eligibility, the CHIP Straw Model mirrors Medicaid RC options where the income attestation is below CHIP eligibility levels and the data sources show income above eligibility levels.
- ✓ States that impose a CHIP premium will need to develop and apply an RC standard to determine a child's income level for premium assignment.

CHIP Reasonable Compatibility Straw Model



CHIP Considerations for Premium Assignment

- States may choose to resolve premium assignment by enrolling the child in CHIP, assigning the higher premium and giving the individual an opportunity to provide documentation to lower the premium.
- Depending on the breadth of the cost-sharing income bands, the state may wish to adjust its reasonable compatibility threshold percentages or numbers.

CONSTRUCTING A VERIFICATION PROCESS AND REASONABLE COMPATIBILITY STANDARD FOR DETERMINING ADVANCE PREMIUM TAX CREDITS/COST-SHARING REDUCTIONS

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Federal APTC/CSR Verification Requirements and RC Standard

- Reasonable Compatibility for Advance Premium Tax Credits/Cost-Sharing Reductions (APTC/CSR) regulations track, in many but not all respects, the Medicaid Reasonable Compatibility requirements.

- When determining eligibility for Qualified Health Plans (QHPs) and Insurance Affordability Programs (IAPs), the Exchange must:
  - Consider information obtained through electronic sources, other information provided by the applicant, or other information in Exchange records to be **reasonably compatible** with an individual's attestation if "the difference or discrepancy does not impact the eligibility of the applicant, including the amount of advance payments of the premium tax credit or category of cost sharing reductions."

Exchange Eligibility Final Rule (§ 155.300), March 2012.

Federal Verification Requirements for APTC/CSRs: General Rule

- The Exchange must first verify an individual's attestation of income using IRS data.

- Under the Alternative Verification Process, the Exchange may verify an individual's attestation of income using current data sources when:
  - Tax return data is unavailable, or the applicant attests that there is a change of circumstances or a change is reasonably expected to occur.

Exchange Eligibility Final Rule 45 C.F.R. § 155.320, March 2012.

Income Verification Processes and Reasonable Compatibility Standard: Applicants with *Increases* in Household Income

- If the applicant attests that his/her annual income has **increased** or is reasonably expected to increase as compared to available tax data:
  - The Exchange must accept the attestation without further verification unless such attestation is not "reasonably compatible" with other information available to the Exchange.

Exchange Eligibility Final Rule (§ 155.300), March 2012.

Income Verification Process and Reasonable Compatibility Standard: Applicants with *Decreases* in Income or No Tax Data Available

- If the applicant attests that his/her annual income has **decreased** or is reasonably expected to decrease as compared to the available tax data or there is **no available tax data** to verify applicant income, he or she may be eligible for an "**alternate verification process**."

- To qualify for an "**alternate verification process**," an applicant must meet one of the following conditions:
  - The IRS does not have tax data for the applicant that is at least as recent as the calendar year two years prior to the calendar year in which APTC/CSRs would be effective;
  - the applicant attests that the family size or family members have changed;
  - the applicant attests that a change in circumstances has occurred or is reasonably expected to occur;
  - the applicant attests that his/her tax filing status has changed or is reasonably expected to change such that the tax filer's annual income has or is expected to decrease; or
  - an applicant in the tax filer's family has applied for unemployment benefits.

Exchange Eligibility Final Rule (§ 155.320), March 2012.

10 Percent Reasonable Compatibility Standard for APTC/CSRs

When an Exchange is verifying income using alternative verification processes, it must apply a 10 percent reasonable compatibility standard.

- **Applicants with Income Decreases of ≤10 percent as Compared to Tax Data.** If the difference between an individual's attestation of annual income and the IRS data obtained is no more than 10 percent, the Exchange must accept the applicant's attestation.

- **Income Decreases of >10 percent as Compared to Tax Data or No Tax Data is Available.** If the difference between an individual's attestation of annual income and the IRS data obtained is greater than 10 percent or no tax data is available, an Exchange must attempt to verify household income using alternate data sources, i.e., current income sources.

Exchange Eligibility Final Rule (§ 155.320), March 2012.

Reconciling Inconsistencies When Not Reasonably Compatible

If an applicant's attestation is found not reasonably compatible, Exchanges must reconcile the inconsistencies by:

1. Identifying and addressing the cause of the inconsistency (e.g. typographical or other clerical errors) by contacting the application filer;
2. Providing the applicant 90 days to submit "satisfactory documentation" to reconcile the inconsistency. An applicant must be able to submit such documentation online, in person or by mail (not by telephone). Exchanges may extend the 90 day period if the applicant demonstrates a good faith effort to provide documentation. During the period when the Exchange is resolving the inconsistency, it must ensure that an APTC/CSR is provided on behalf of the applicant if the tax filer attests that they understand that such advance payments are subject to reconciliation.
3. If, after the 90 days, Exchanges remain unable to verify the attestation, the applicant's eligibility must be determined based on the information in the data sources, unless the applicant qualifies for the **special circumstances exception.**

Exchange Eligibility Final Rule (§ 155.315(f)), March 2012.

Special Circumstances When No Documentation is Available

- Exchanges must provide an exception "on a case by case basis, whereby it will accept the applicant's attestation as to the information which cannot otherwise be verified along with an explanation of circumstances as to why the applicant does not have documentation."
- The Preamble suggests that this exception might be used for individuals who are homeless, victims of domestic violence or natural disasters or sporadic workers.

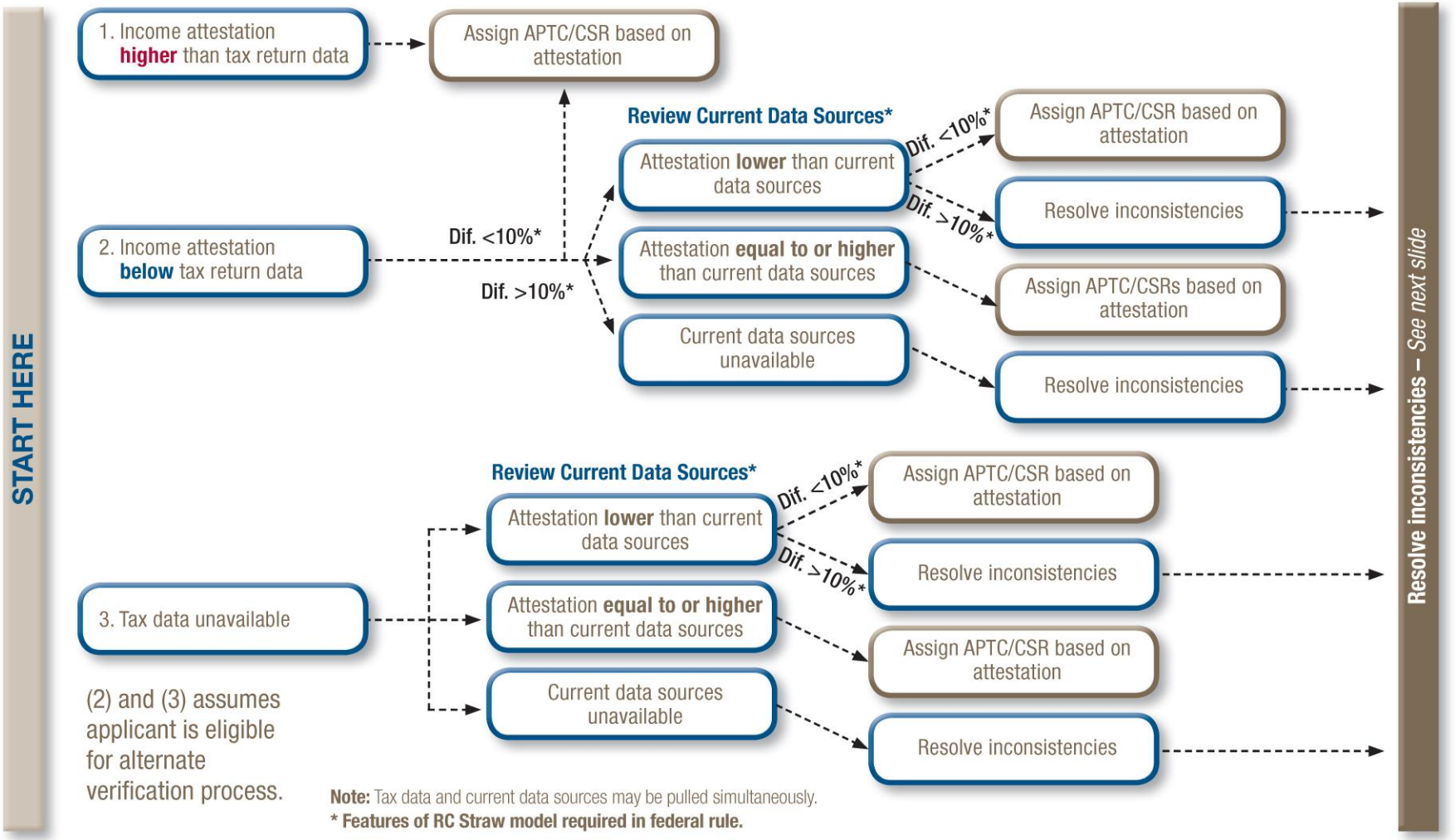
Exchange Eligibility Final Rule (§ 155.315(g)), March 2012.

APTC/CSR Reasonable Compatibility Straw Model

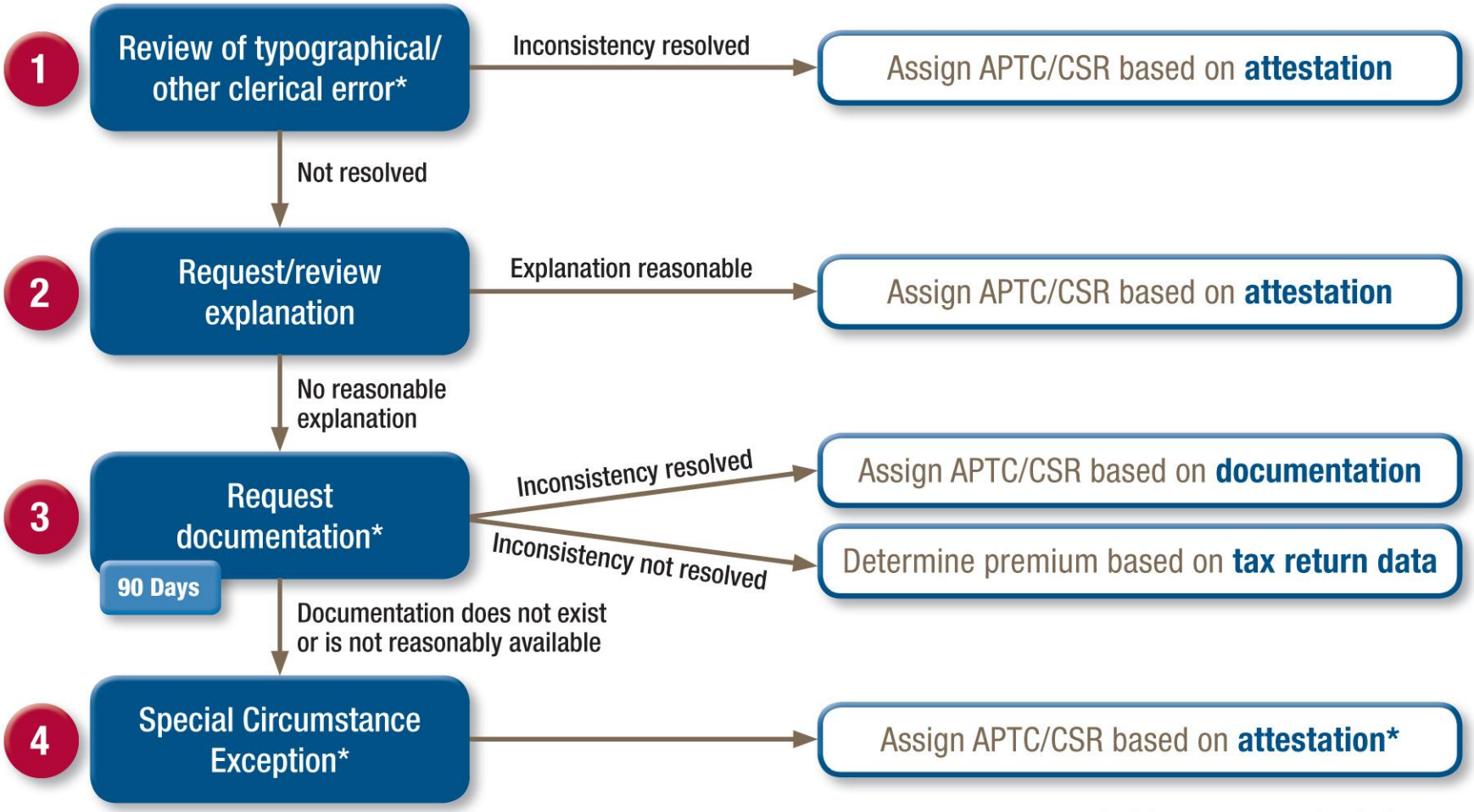
The **APTC/CSR Reasonable Compatibility Straw Model** on the next two slides addresses the following issues:

- ✓ The circumstances under which the state must find the individual's attestation and electronic data compatible.
- ✓ The reasonable compatibility standard to be applied when using current data sources.
- ✓ The process for reconciling inconsistencies when data sources are found not reasonably compatible with income attestation.

APTC/CSR Reasonable Compatibility Straw Model



APTC/CSR RC Straw Model: Process for Resolving Inconsistencies*



* Features of RC Straw model required in federal rule.

ILLUSTRATIVE EXAMPLES

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Medicaid: Illustrative Examples

Attestation above Medicaid eligibility level

a) Individual attests to income at $17,000. Data shows income is $17,000.	Find **ineligible** for Medicaid because both attestation and data are above Medicaid level.
b) Individual attests to income at $17,000. Data shows income at $14,400.	Find **ineligible** for Medicaid because attestation is above Medicaid level*.
c) Individual attests to income at $17,000. No data available.	Find **ineligible** for Medicaid because attestation is above Medicaid level.

KEY: 133% FPL for an individual = $14,400/year

* To protect consumer, state may want to seek explanation of inconsistency from consumer.

Medicaid: Illustrative Examples

Attestation below Medicaid eligibility level

d) Individual attests to income of $14,000. Data shows income at $17,000.

OPTIONS:

- Individual **eligible** because state accepted attestation (pursuant to Verification Plan) and will conduct post eligibility verification.
- Find **not RC** because difference between attestation and income is ≥10%*. Request/review explanation. If reasonable, determine eligible. If not reasonable, require further verification.
- Find **not RC**. Request/review explanation. If reasonable, determine eligible. If not reasonable, require further verification.
- Find **not RC**. Request further verification.

KEY: 133% FPL for an individual = $14,400/year

* 10% is used for illustration only; state may select a different percentage

Medicaid: Illustrative Examples

Attestation below Medicaid eligibility level

e) Individual attests to income of $14,000. Data shows income at $14,200.

→ Find **eligible** for Medicaid because both attestation and data are below Medicaid level.

f) Individual attests to income of $14,300. Data shows income at $14,500.

→ **OPTIONS:**

- Individual **eligible** because state accepted attestation (pursuant to Verification Plan) and will conduct post eligibility verification.
- Individual **eligible** because difference between attestation and income is ≤10%*.
- Find **not RC**. Request/review explanation. If reasonable, determine eligible. If not reasonable, require further verification.
- Find **not RC**. Request further verification.

KEY: 133% FPL for an individual = $14,400/year

* 10% is used for illustration only; state may select a different percentage

Medicaid: Illustrative Examples

Attestation below Medicaid eligibility level

g) Individual attests to income of $14,000. No data sources are available.

OPTIONS:

- Individual **eligible** because state accepted attestation and will conduct post eligibility verification.
- Request/review explanation. If reasonable, determine **eligible**. If not reasonable, require further verification including documentation if readily available.
- Additional verification including documentation will be required.

KEY: 133% FPL for an individual = $14,400/year

CHIP: Illustrative Examples

Attestation above CHIP eligibility level

a) Mom (and child) attests to income of $62,000. Data sources show income at $65,000. (Both attestation and data are above CHIP levels).

→ Find **RC** and child **not eligible** for CHIP because both attestation and data are above CHIP levels

b) Mom (and child) attest to income of $62,000. Data sources show income at $50,000. (Attestation above CHIP, data sources below CHIP).

→ Find **RC** and child **not eligible** for CHIP because attestation above CHIP levels

KEY:
400% FPL for a family of 2: $58,800
133% FPL for a family of 2: $19,572

CHIP: Illustrative Examples

Attestation below CHIP eligibility level

c) Mom (and child) attest to income at $58,000. Data shows income at $60,000. (Attestation below CHIP, data sources above CHIP).

OPTION 1: Accept attestation (pursuant to Verification Plan) and assign premium based on attestation. Conduct post eligibility verification.

OPTION 2: Find **RC and assign premium based on attestation** because difference between and data is <10%*.

OPTION 3: Request/review explanation. If reasonable **determine eligible**. If not reasonable require further verification.

OPTION 4: Require further verification.

KEY:
400% FPL for a family of 2: $58,800
133% FPL for a family of 2: $19,572

* 10% is used for illustration only; state may select a different percentage

CHIP: Illustrative Examples

Attestation below CHIP eligibility level

d) Mom (and child) attest to income of $50,000. Data shows income at $62,000. (Attestation below CHIP, data sources above CHIP).

KEY:
400% FPL for a family of 2: $58,800
133% FPL for a family of 2: $19,572

OPTION 1: Accept attestation (pursuant to Verification Plan), and assign premium based on attestation. Conduct post eligibility verification.

OPTION 2: Find **not RC** because the difference between the attestation and the data >10%*: (i) obtain a reasonable applicant explanation; or, (ii) request documentation.

- ➢ If resolved through explanation, assign premium based on attestation.
- ➢ If resolved through documentation, assign premium based on documentation.

OPTION 3: Request/review explanation. If reasonable **determine eligible**. If not reasonable require further verification.

OPTION 4: Require further verification.

* 10% is used for illustration only; state may select a different percentage

CHIP: Illustrative Examples

CHIP premium assignment

e) Mom (and child) attests to income of $40,000. Data shows income at $50,000. (Attestation and data both below CHIP, but attestation in lower premium band than data source).

KEY:
400% FPL for a family of 2: $58,800
133% FPL for a family of 2: $19,572

OPTION 1: Find **RC, accept attestation** (pursuant to Verification Plan) and assign premium based on attestation. Conduct post eligibility verification.

OPTION 2: Find **not RC** because difference between attestation and data is >10%*: (i) obtain a reasonable applicant explanation; or, (ii) request documentation:

- If resolved through explanation, assign premium based on attestation.
- If resolved through documentation, assign premium based on documentation.

OPTION 3: Request/review explanation. If reasonable **determine eligible**. If not reasonable require further verification.

OPTION 4: Require further verification.

* 10% is used for illustration only; state may select a different percentage

CHIP: Illustrative Examples

CHIP premium assignment	
f) Mom (and child) attests to income of $50,000. Data shows income at $45,000. (Both attestation and data are below CHIP levels, but in different premium bands.)	Assign premium based on attestation because attestation is higher than data sources.
g) Mom and child attests to income of $54,000. Data shows income of d $51,000. (Both attestation and data are below CHIP, and are in the same premium band).	Assign premium based on attestation because in same premium band.

KEY:
400% FPL for a family of 2: $58,800
133% FPL for a family of 2: $19,572

APTC/CSR: Illustrative Examples

Attestation below CHIP eligibility levels and no data sources available

h) Mom and child attests to income of $25,000. No data sources available.

OPTION 1: Accept attestation, and assign premium based on attestation. Conduct post eligibility verification.

OPTION 2: Obtain reasonable applicant explanation or request documentation.

- If resolved through explanation, assign premium based on attestation.
- If resolved through documentation, assign premium based on documentation.

OPTION 3: Require further verification including documentation if readily available.

KEY:
400% FPL for a family of 2: $58,800
133% FPL for a family of 2: $19,572

APTC/CSR: Illustrative Examples

Review of tax data

a) Individual attests to income of $25,000. Tax return data shows income at $20,000.

→ Find **RC** and assign APTC/CSR based on $25,000 because attestation > tax data.

b) Individual attests to income of $25,000. Tax return data shows income at $26,000.

→ Find **RC** and assign APTC/CSR based on $25,000 because difference between attestation and tax data <10%.

APTC/CSR: Illustrative Examples

Review of tax data

a) Individual attests to income of $25,000. Tax return data shows income at $20,000.

→ Find **RC** and assign APTC/CSR based on $25,000 because attestation > tax data.

b) Individual attests to income of $25,000. Tax return data shows income at $26,000.

→ Find **RC** and assign APTC/CSR based on $25,000 because difference between attestation and tax data <10%.

APTC/CSR: Illustrative Examples

Review of tax data *and* current data sources

c) Individual attests to income of $25,000. Tax return data shows income at $30,000. Current data sources show income at $25,000.

→ Find **RC** and assign APTC/CSR based on $25,000 because current data equal to attestation.

d) Individual attests to income of $25,000. Tax return data shows income at $30,000. Current data sources show income at $26,000.

→ Find **RC** and assign APTC/CSR based on $25,000 because difference between attestation and current data <10%.

APTC/CSR: Illustrative Examples

Review of tax data *and* current data sources

e) Individual attests to income of $25,000. Tax return data match says their income is $30,000. Current data sources say their income is $17,000.

Find **RC** and assign APTC/CSR based on $25,000 because attestation > current data.

f) Individual attests to income of $25,000. Tax return data match says their income is $30,000. Current data sources say their income is $28,000.

Find **not RC** because difference between attestation and current data >10%. Resolve errors; review explanation; require documentation if needed.

APTC/CSR: Illustrative Examples

Review of current data sources (tax return data unavailable)

g) Individual attests to income of $25,000. Tax return data unavailable. Current data sources show income of $26,000.	Find **RC** and assign APTC/CSR based on $25,000 because difference between attestation and current data <10%.
h) Individual attests to income of $25,000. Tax return data unavailable. Current data sources show income of $20,000.	Find **RC** and assign APTC/CSR based on $25,000 because attestation > current data.
i) Individual attests to income of $25,000. Tax return data unavailable. Current data sources show income of $30,000.	Find **not RC** because difference between attestation and current data >10%. Resolve errors; review explanation; require documentation if needed.