

Dear Issuer,

As part of CMS's ongoing efforts to reduce unauthorized enrollments (UEs) on the Federally Facilitated Exchanges (Marketplace) facilitated by agents and brokers, CMS has implemented several changes to Marketplace systems. Building on these actions, CMS is now increasing efforts to initiate cancellation of UEs under the Exchange authority outlined in 45 CFR §5 155.430(b)(2)(vi) and 155.430(d)(11) [ecfr.gov].

CMS has identified potentially unauthorized Plan Year 2026 enrollments, which will be sent to issuers via electronic file transfer (EFT) this week. These enrollments are associated with an eligibility application that was submitted with a National Producer Number (NPN), has 100% of the premium covered by the application of Advance Payments of the Premium Tax Credit (APTC) (\$0 individual premium responsibility for at least one segment of the policy), and for which no applicants seeking coverage provided a Social Security number or immigration document number that CMS was able to verify in real time. issuer_reported_ues@cms.hhs.gov

This file will be transmitted via EFT using the "MISC" function code in the Incremental Pre-Audit (IPA) format and will utilize the following naming convention:

OPR. <tpid>.MISC6.D<Date>.T<timestamp>.P.

Upon receipt of this file, CMS is asking that issuers take immediate actions to complete the following steps:

WITHIN 1 DAY:

1. Confirm receipt and ingest of the file by emailing issuer_reported_ues@cms.hhs.gov.

WITHIN 14 DAYS:

1. Review the policies and assess whether each policy meets the three criteria described in Section 12.2.1 (Operational Process for Cancelling UEs) of the Federally-facilitated Exchange (FFE) Enrollment Manual [regtap.cms.gov].
2. Share a high-level summary of the activity check results with CMS by emailing issuer_reported_ues@cms.hhs.gov and continue with the subsequent steps.
3. Attempt to contact each enrollee on policies that meet the aforementioned criteria using at least two different methods (phone, email, mail, etc.), providing enrollees with at least 30 days to respond and verify that the enrollment was authorized, as described in Section 12.3 (Issuer Reports of Suspected UEs) of the FFE Enrollment Manual.

WITHIN 60 DAYS:

5. Send CMS (UE Mailbox, issuer_reported_ues@cms.hhs.gov and copy your CMS Account Manager) the completed issuer-reported UE template (regtap.cms.gov) for all policies that meet the aforementioned criteria and whose enrollees did not respond or verify the enrollment was authorized using the attached template and instructions (please be sure to encrypt personally identifying information).

1. Do not submit any policies that were verified to be authorized by the enrollee on the completed UE template.
2. Should you have reason to believe that any policies that meet the aforementioned criteria but, whose enrollees did not respond to the outreach described in step 2 above, nevertheless authorized their enrollment, please contact issuer_reported_ues@cms.hhs.gov and copy your CMS Account Manager to discuss prior to sending CMS the completed issuer-reported UE template.

Upon receipt of the completed issuer-reported UE template, CMS will review the submission and, upon determination that the enrollment was performed without the enrollee's knowledge or consent, CMS will initiate cancellation, pursuant to our authority under 45 CFR 5 155.430(b)(2)(vi) and 155.430(d)(11) [ecfr.gov], via an outbound 834 to the issuer with a CANCEL-FRD Additional Maintenance Reason Code (AMRC). Issuers are expected to update their records with the policies cancelled by CMS in their systems in a timely manner.

Upon cancellation, issuers are also responsible for providing consumers with termination of coverage or enrollment notices in accordance with 45 CFR 156.270(b)(1), including the effective date and reason for the termination, which, as described in Section 7.5 of the FFE Enrollment Manual, can refer to the AMRC on the 834 transaction, Issuers must maintain documentation of all enrollee contact attempts and termination of coverage or enrollment notices in accordance with applicable record retention requirements.

CMS appreciates your cooperation and commitment to protecting consumers from unauthorized enrollment activity, If you have questions or need additional guidance, please contact issuer_reported_ues@cms.hhs.gov (please be sure to encrypt personally identifying information) and copy your CMS Account Manager.

Sincerely,

Unauthorized Enrollment Support

Centers for Medicare & Medicaid Services

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