

Payment Integrity Scorecard

Program or Activity
Centers for Medicare & Medicaid Services (CMS) - Advance Premium Tax Credit (APTC)

Reporting Period
Q3 2025

FY 2024 Overpayment Amount (\$M)*

\$154

*Estimate based a sampling time frame starting 1/2022 and ending 12/2022



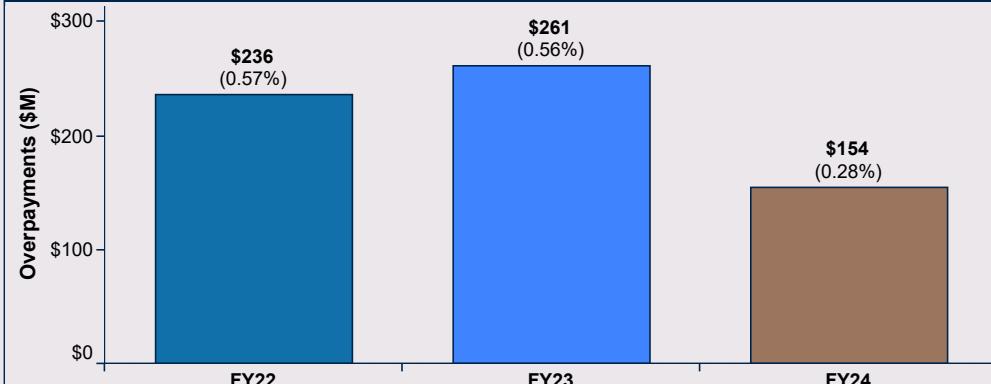
Health and Human Services

Centers for Medicare & Medicaid Services (CMS) - Advance Premium Tax Credit (APTC)

Brief Program Description & summary of overpayment causes and barriers to prevention:

Advance payments of the premium tax credit (APTC) provide financial assistance to Marketplace consumers by reducing their monthly insurance payments. The consumer's APTC is based on the estimated annual household income and household size reported on their Marketplace application. Overpayments identified resulted from the improper application of established policies and procedures. Overpayments mainly occurred due to the improper calculation of annual income amounts caused by not following guidelines, and acceptance of documentation that does not meet requirements to resolve data matching issues. There are also system issues that lead to overpayments, such as limits on functionality to process consumer provided data.

Historical Payment Rate and Amount (\$M) Overpayment as Percentage of Total Outlays



Discussion of Actions Taken in the Preceding Quarter and Actions Planned in the Following Quarter to Prevent Overpayments

In Quarter 3 of FY 2025, the Centers for Medicare & Medicaid Services (CMS) conducted Round 1 of Death Periodic Data Matching, began Round 1 of Medicare Periodic Data Matching and Failure to File and Reconcile operations, and prepared Medicaid/CHIP Periodic Data Matching to begin in Quarter 4. CMS also provided detailed standard operating procedures and work instructions to help eligibility support workers request and process documentation to resolve data inconsistencies, offered ongoing training on data matching issues, and enhanced its risk model to detect emerging fraud risks. In Quarter 4 of FY 2025, CMS will continue Periodic Data Matching and Failure to File and Reconcile operations, including launching Round 1 of Medicaid/CHIP Periodic Data Matching. These efforts reduce improper APTC payments due to dual enrollment, continued coverage after death, and failure to file and reconcile APTC on returns. CMS will also maintain effective onboarding of eligibility support workers, address system defects, and improve guidance to minimize confusion when processing consumer information.

Accomplishments in Reducing Overpayment		Date
1	Eligibility support workers receive ongoing training in order to learn how to accurately resolve Data Matching Issue inconsistencies.	Jul-25
2	Ensured eligibility support workers had very detailed standard operating procedures and work instructions to request and process documentation from applicants to resolve inconsistencies between attested information and automated verifications.	Jul-25
3	Resumed setting Data Matching Issues and restarted the Periodic Data Matching process for Medicaid and CHIP.	Jul-25

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Goals towards Reducing Overpayments		Status	ECD	Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1	Continue to conduct effective onboarding and ad hoc training for eligibility support workers on Data Matching Issue resolution, manual eligibility verifications, casework, and outreach in order to optimize the efficacy of their activities and the accuracy of eligibility determinations. Develop a knowledge check with questions and answers that are derived directly from errors found through the PY 2023 Exchange Improper Payment Measurement Program.	On-Track	Sep-25	1 Recovery Activity	Recovery of overpayments is conducted by the Internal Revenue Service through Federal tax filing and reconciliation.	
2	Continue to identify and remediate system defects within the Exchanges that may impact payments. These defects become known through various mechanisms, including internal quality control activities and external reviews of eligibility determinations made by the Exchanges.	On-Track	Sep-25			

Amt(\$)	Root Cause of Overpayment	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
\$154M	Overpayments within agency control that occurred because of a Failure to Access Data/Information Needed.	Eligibility support workers fail to access necessary eligibility verification data or information to request/process documentation from applicants and to resolve inconsistencies between attested information and automated verifications.	Change Process – altering or updating a process or policy to prevent or correct error.	Eligibility support workers follow detailed Standard Operating Processes and Work Instructions that are continually revised to reflect changes in the program and to address weaknesses identified in the processes to resolve Data Matching Issues.
			Training – teaching a particular skill or type of behavior; refreshing on the proper processing methods.	Rigorous training of eligibility support workers to resolve inconsistencies between attested information and automated verifications leads to more accurate eligibility verifications/determinations and fewer overpayments.