Payment Integrity Scorecard

Program or Activity	Reporting Period	FY 2025 Overpayment Amount ($M)*	$375
Centers for Medicare & Medicaid Services (CMS) - Advance Premium Tax Credit (APTC)	Q3 2026		

*Estimate based a sampling time frame starting 1/2023 and ending 12/2023

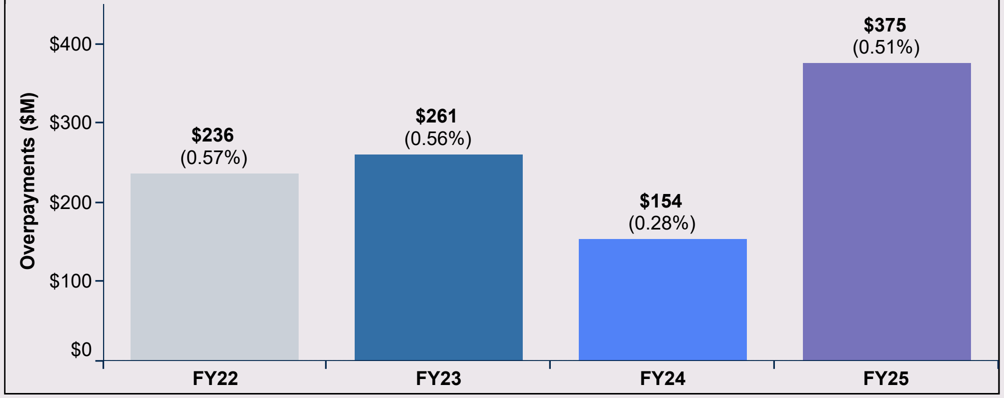
HHS

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

The Centers for Medicare & Medicaid Services (CMS) continued Periodic Data Matching and Failure to File and Reconcile operations, including launching Round 1 of Medicaid/Children's Health Insurance Program (CHIP) & Medicare Periodic Data Matching and running the Failure to File and Reconcile Recheck process. These efforts were designed to reduce improper APTC payments due to dual enrollment, continued coverage after death, and failure to file and reconcile APTC on tax returns. On 6/12/2026, in City of Columbus v. Kennedy, the failure to reconcile policy was vacated for plan year 2026. Additionally, on 7/16/26, it was stayed for PY 2027. CMS also maintained effective onboarding of eligibility support workers, addressed system defects, and improved guidance to minimize confusion when processing consumer information. CMS is also making changes to Social Security Number (SSN) verification to make it so if a National Producer Number is associated with an application, the SSN and immigration verification requirements that previously applied only to the Agent/Broker role pathway will now apply regardless of the user role used to submit the application. This will strengthen SSN verification and assist in reducing unauthorized enrollments. CMS also made improvements to automation capabilities in verification processes to more accurately process verification documents and to better identify fraudulent documents.

	Accomplishments in Reducing Overpayment	Date
1	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-26
2	Provided eligibility support workers training on how to accurately resolve Data Matching Issue inconsistencies.	Jul-26
3	Updated SSN verification requirements to reduce unauthorized enrollments.	Jul-26

Payment Integrity Scorecard

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

Reporting Period
Q3 2026

	Goals towards Reducing Overpayments	Status	ECD
1	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 2024 Exchange Improper Payment Measurement Program.	On-Track	Nov-26
2	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	Oct-26

	Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1	**Recovery Activity**	Recovery of overpayments is conducted by the Internal Revenue Service through Federal tax filing and reconciliation.	

Amt($)	Root Cause of Overpayment	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
$375M	Overpayments 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.	Training of eligibility support workers to resolve inconsistencies between attested information and automated verifications leads to more accurate eligibility verifications/determinations and fewer overpayments.