

**INDEPENDENT EXTERNAL AUDIT:
2019 AUDIT FINDINGS REPORT
VERMONT HEALTH CONNECT:
AUDIT RESPONSE AND CORRECTIVE ACTION PLAN**

TO: CCIIO STATE EXCHANGES GROUP
FROM: VERMONT HEALTH CONNECT
DATE: JUNE 1ST, 2020
SUBJECT: CORRECTIVE ACTION PLAN FOR VERMONT
AUDIT PERIOD: JULY 1, 2018 – JUNE 30, 2019

I. RESPONSE TO THE PROGRAMMATIC AUDIT REPORT FINDING

Vermont is in agreement with the key finding. We are engaged in regular communication with CCIIO and provide updates to CCIIO as issues become resolved.

II. CORRECTIVE ACTION PLAN

FINDING #2019-001

Criteria:

Subpart D – Eligibility, 45 CFR §155.315 and §155.320 require that a state-based marketplace make a determination based upon the data provided by an applicant in the application, and data received from automated data sources. Under 45 CFR §155.315(f), the Exchange must make a reasonable effort to identify and address any inconsistency between the self-attested data in the application and the information obtained from outside sources by contacting the applicant and requesting him or her to provide additional information to resolve the inconsistency.

The subpart further states that if the Exchange is unable to resolve the inconsistency through the process described in paragraph (f)(1) of this section, it must (i) provide notice to the applicant regarding the inconsistency; and (ii) provide the applicant with a period of 90 days from the date on which the notice described in paragraph (f)(2)(i) of this section is sent to the applicant to either present satisfactory documentary evidence via the channels available for the submission of an application, as described in §155.405(c), except for by telephone through a call center, or otherwise resolve the inconsistency.

Condition and Context:

BerryDunn selected a sample of 95 cases to test the Exchange's data verification process. Of the 95 cases reviewed, we observed 4 applicants (4% of 95) that had income that was not considered reasonably compatible with the Federal Data Services Hub and did not receive a data inconsistency notification letter requesting additional information to resolve an inconsistency between the self-attested data and the data returned from the Federal Data Services Hub.

Cause:

Per VHC's verification and inconsistency resolution mitigation plan, which was approved by the Centers for Medicare and Medicaid Services, VHC sends data inconsistency notices in an automatic batch process that occurs quarterly. VHC reported that its procedure was to exclude applicants from this process if either they were included in the prior batch, or their eligibility data was manually verified in the prior eligibility year. The two cases noted in the condition and context section above were both manually verified in the prior year, and therefore automatically excluded from the list of notifications to send out.

Effect:

Because the applicants were excluded from receiving the notification, they were not given 90 days to resolve the inconsistency between the self-attested income and the income data from the Federal Data Services Hub. As a result, the case retained the eligibility status determined using the self-attested data for the 2019 plan year. Had the verification process been completed, the case may have been assigned a different eligibility status.

Management Response:

Corrective Action:

The State of Vermont (SoV) resolved the above finding by updating the report to no longer exclude customers who have had their annual income manually verified in the prior year. This fix was implemented as of the batch of verification notices sent on July 17, 2019.

Point of contact: *Anne Petrow, DVHA Oversight and Monitoring Director*
Jennifer Boyden, Acting Director of Health Care Eligibility and Enrollment
Adaline Strumolo DVHA Deputy Commissioner

III. CONCLUSION

We confirm to the best of our knowledge that the information included in this Corrective Action Plan is accurate and based on a thorough review of the Key Findings and Recommendations stated in the Audit Findings Report, which is in compliance with the Marketplace's procedures.

Anne Petrow, Oversight & Monitoring Director
Jennifer Boyden, Acting Director of Health Care Eligibly and Enrollment
Adaline Strumolo, DVHA Deputy Commissioner