



## CMS NEWS

FOR IMMEDIATE RELEASE

May 7, 2020

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### **CMS Announces Final Payment Notice for 2021 Coverage Year**

*Final rule works towards lowering premiums, improving consumer experience, promoting program integrity and stabilizing the market*

The Centers for Medicare & Medicaid Services (CMS) today issued a final rule that continues the Trump Administration's efforts to promote affordability, improve consumer choice, ensure program integrity, and increase market stability. In response to the coronavirus disease 2019 (COVID-19) pandemic, CMS is also announcing today a one week extension of the Qualified Health Plan (QHP) certification and rate review timelines. This additional time will allow issuers and states to better collect and assess data around the effects of COVID-19 and thereby establish more accurate premium rates.

"When the Trump Administration took office, the individual market was in crisis. Premiums had doubled and even tripled in some states, and choices had plummeted as issuers fled the market. Our policies delivered a sorely needed course correction, prioritizing competition and flexibility over prescriptiveness. The result was lower premiums and more options. Today's rule delivers more of the same, and American consumers will continue to reap the benefits," said CMS Administrator Seema Verma.

The final Notice of Benefit and Payment Parameters for the 2021 benefit year, also referred to as the 2021 Payment Notice, contains several provisions intended to promote affordable insurance coverage, including a blueprint for issuers to design innovative healthcare plans that empower consumers to receive high value services at lower costs. For example, under such a design, an issuer can offer a plan that provides high-value services like blood pressure monitoring or cardiac rehabilitation with zero cost sharing. The rule also makes it easier for individual market issuers to offer wellness incentives to enrollees by explicitly recognizing certain incentives as quality improvement activities (QIA).

The final rule maintains the lower user fee rates on issuers participating on the federal Exchange platform that was set in the 2020 Payment Notice. These lower rates are made possible by CMS's ongoing efforts to improve the efficiency of the Exchange, resulting in savings that will continue to be passed along to consumers in the form of lower premiums.

The rule also includes provisions aimed at improving consumer access to health coverage. Consumers will benefit from several improvements to special enrollment periods (SEPs), such as being able to make their coverage effective sooner under certain SEPs starting in January 2022. We are also providing State-based Exchanges (SBEs) that operate their own eligibility and enrollment platforms, with greater flexibilities to customize the display of quality information for consumers by either displaying quality rating data provided by CMS or quality rating data from their state.

Finally, the rule takes a number of important steps to improve program integrity and safeguard taxpayer dollars, including finalizing enhancements to the Periodic Data Matching (PDM) processes to reduce the risk of incorrect Advance Payments of the Premium Tax Credit (APTC) payments to enrollees determined to be deceased or dually enrolled in Medicare. In addition, the rule strengthens policy around the annual reporting of state-required benefits that are mandated in addition to Essential Health Benefits (EHB). States are now required to annually notify CMS of any additional state-required benefit mandates, or defer to CMS to do so, to help ensure taxpayers and consumers are not inappropriately paying the cost for these state mandates. States are required to defray the cost of any new state-mandated insurance benefits that are in addition to EHB, so that taxpayers do not inappropriately cover that portion of enrollees' premiums.

Today, CMS also issued the Final 2021 Annual Letter to Issuers which provides guidance to issuers that want to offer QHPs on a Federally-facilitated Exchange (FFE), the final Key Dates Calendar for the 2020 Calendar Year and the revised Rate Review Bulletin.

To view the final rule, click here: <https://www.federalregister.gov/documents/2020/05/14/2020-10045/patient-protection-and-affordable-care-act-benefit-and-payment-parameters-for-202-notice-requirement>

To view the fact sheet on the final rule, click here: <https://www.cms.gov/files/document/final-2021-hhs-notice-benefit-and-payment-parameters-fact-sheet.pdf>

To view the final 2021 Letter to Issuers, click here: <https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/Final-2021-Letter-to-Issuers-in-the-Federally-facilitated-Marketplaces.pdf>

To view the final Key Dates for Calendar Year 2020 for QHP Certification, click here: <https://www.cms.gov/files/document/Final-Key-Dates-Tables-for-CY2020.pdf>

To view the Revised Rate Review Bulletin, click here: <https://www.cms.gov/files/document/2020-revised-final-rate-review-timeline-bulletin.pdf>

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