



Date: April 13, 2020

RE: Postponement of 2019 Benefit Year HHS-operated Risk Adjustment Data Validation (HHS-RADV)

As part of the Administration’s efforts to combat the Coronavirus Disease 2019 (COVID-19), the Centers for Medicare & Medicaid Services (CMS) is announcing the postponement of the 2019 benefit year HHS Risk Adjustment Data Validation (HHS-RADV) process. This action will allow issuers and providers to focus on the health and safety threats currently faced by enrollees, participants, and other impacted individuals due to the COVID-19 pandemic. We intend to provide future guidance by August of 2020 on the updated timeline for 2019 benefit year HHS-RADV activities that we plan to begin in 2021.

Typically, HHS-RADV would begin with issuers’ designation of initial validation audit (IVA) Entities prior to CMS's release of enrollee samples. CMS’s release of the 2019 benefit year HHS-RADV enrollee samples to issuers was scheduled for late May 2020, after the 2019 benefit year risk adjustment final data submission (which had previously been postponed to May 14, 2020).¹ After the release of the 2019 benefit year HHS-RADV enrollee samples, issuers and IVA Entities would start the process of collecting medical records from hospitals, providers and provider organizations to validate diagnoses and issuers’ actuarial risk. However, stakeholders have recently urged CMS to delay the 2019 benefit year HHS-RADV deadlines due to the COVID-19 pandemic.

Given the need for healthcare providers and provider organizations to focus exclusively on caring for patients during this pandemic, as well as the need for social distancing to prevent the spread of the virus, we are concerned that continuing with the current timeline for 2019 benefit year HHS-RADV activities would divert providers from caring for patients. Recognizing the need for flexibility to manage these challenges, CMS is exercising enforcement discretion to adopt a temporary policy of relaxed enforcement to postpone issuer requirements related to the 2019 benefit year HHS-RADV process. This will result in a delay of the timeline for release of 2019 benefit year HHS-RADV error rates, as well as the publication of 2019 benefit year HHS-RADV results to issuers. We are making this announcement at this time to assist issuers who are in the process of selecting IVA Entities for the 2019 benefit year of HHS-RADV. As previously mentioned, we intend to provide further guidance by August 2020 on plans to begin 2019 benefit year HHS-RADV in 2021. Separately, we are also considering stakeholders’ other COVID-19 questions on the HHS-operated risk adjustment program and whether additional guidance is needed.

¹ On March 25, 2020, CMS announced that it was providing additional flexibility to issuers by updating the Risk Adjustment program deadline for EDGE server data submissions for the 2019 benefit year. For more information, see the RegTap announcement at (login required): https://www.regtap.info/ann_view.php?id=268.

We believe this guidance is a statement of agency policy not subject to the notice and comment requirements of the Administrative Procedure Act (APA).² For the same reasons explained above, CMS additionally finds that, even if this guidance were subject to the public participation provisions of the APA, prior notice and comment for this guidance is impracticable and contrary to the public interest, and there is good cause to issue this guidance without prior public participation and without a delayed effective date.³

For questions related this announcement, please contact CCIIOACARADDataValidation@cms.hhs.gov under the subject line “2019 HHS-RADV Postponement”.

² 5 U.S.C. § 553(b)(A).

³ 5 U.S.C. § 553(b)(B) & (d)(3).