

## Application 'inconsistencies' under health law (Update 2)

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This May 14, 2014 file photo shows Sylvia Mathews Burwell, President Barack Obama's nominee to become secretary of Health and Human Services testifying on Capitol Hill in Washington. More than 2 million people who got health insurance under President Barack Obama's law have data discrepancies that could jeopardize coverage for some, a government document shows. On Wednesday, Burwell easily passed a key test vote in the Senate. (AP Photo/J. Scott Applewhite, File)

Many of the 8 million people who signed up for coverage under President Barack Obama's health care now have an asterisk next to their names.

A government document provided to The Associated Press indicates that at least 2 million people enrolled for taxpayer-subsidized private health insurance have data discrepancies in their applications. Each individual has at least one mismatch between key personal information they supplied and what the government has on record.

Consumers who get a notice about such problems would do well to pay attention. If unresolved, it could affect what they pay for coverage, or even their legal right to benefits.

It's also creating a huge new paperwork headache for the administration, although officials say they hope much of the pile can be cleared away this summer.

Congressional Republicans opposed to the law are launching investigations, saying they worry the government may be wasting money by paying overly generous subsidies.

The seven-page slide presentation from the Health and Human Services Department was provided to the AP as several congressional committees are looking into the discrepancies. Most of the data conflicts involve important details on income, citizenship and immigration status—which affect eligibility and subsidies.

Ensuring that health care benefits are delivered accurately is a priority for HHS nominee Sylvia Mathews Burwell, whose confirmation as department secretary is expected to be voted on Thursday by the Senate.

Responding to the document, administration officials expressed

confidence that most of the discrepancies can be resolved in the next few months. Nonetheless, the department has set up a system to "turn off" benefits for anyone who is found to be ineligible.

Julie Bataille, communications coordinator for the health care rollout, said many of the problems appear to be due to outdated information in government files—and the "vast majority" of cases are being resolved in favor of consumers. The government is making an all-out effort to reach those with various discrepancies, which officials have termed "inconsistencies."

"The fact that a consumer has an inconsistency on their application does not mean there is a problem on their enrollment," said Bataille. "Most of the time what that means is that there is more up-to-date information that they need to provide to us." For example, for people applying for coverage this year, the latest income information on record with the IRS dates to 2012, in most cases.

The May 8 document provided to the AP said that 2.1 million people enrolled through the new health insurance exchanges were "affected by one or more inconsistency" as of the end of April.

The number of people affected could well be higher. According to the administration, the 2 million figure reflects only consumers who signed up through the federally administered HealthCare.gov website and call centers. The government signed up about 5.4 million people, while state-run websites signed up an additional 2.6 million.

The exchanges offer subsidized private coverage to lower-income and to middle-class people who have no health care on the job. The sliding-scale subsidies are based on income and family size and are also affected by where a person lives. Under the law, only citizens and legal immigrants are entitled to subsidized coverage.

Because the subsidies are tax credits, the IRS can deduct any overpayments to a consumer from that taxpayer's refund the following year. Conversely, if the consumer got too small a credit, that person would be due a bigger refund.

Updated numbers provided by Bataille indicate that the total number of people affected remains about the same as reflected in the document. About 1.2 million have discrepancies related to income; 505,000 have issues with immigration data and 461,000 have conflicts related to citizenship information.

The law contemplated there would be verification problems with the new program, and it provided for a 90-day window to clear up discrepancies. During this time, a consumer's coverage is not affected. Under the law, the administration has the option to extend the 90-day period for this year.

About 60 percent of the people with discrepancies are still within that 90-day period, said Bataille. Consumers who get a request for additional information can upload documents electronically or mail them in. The HHS request is supposed to specifically describe any information that the government needs to verify.

It may not be that easy.

The document provided to AP describes a laborious effort to try to resolve the problems, largely requiring hands-on attention from a legion of workers employed by government contractor Serco Inc.

"Current system access and functionality ... limits the ability to resolve outstanding inconsistencies," said the document. "A phased approach is proposed, initially leveraging manual processes."

Atop the priority list are citizenship and immigration issues, then annual income.

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