

Essential Guide to the Proposed CMS Program Integrity Rule



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Overview of the Proposed CMS Program Integrity Rule

What it is aimed at accomplishing

Overview: In March 2025, CMS released its proposed Program Integrity Rule. As of May 2025, the proposed rule is under review with the White House Office of Budget and Management, the last step before it can be released as a final rule. The rule focuses largely on tightening and standardizing rules across all Exchanges to prevent fraud, waste, and abuse in the individual market, to reduce adverse selection, and to increase affordability. Congress is also considering similar and overlapping provisions to improve program integrity in the budget reconciliation bill, which could also impact OEP 2026.

As a reminder, CMS may release other regulations and guidance over the course of the year, as well. **Separately, this rule does not address whether enhanced tax credits will be renewed** – that remains an ongoing debate in Congress. Enhanced tax credits are currently set to expire at the end of 2025 unless Congress takes action.

When it will take effect, if finalized

Effective Date: Varies by provision and depending on version adopted: some provisions will take effect soon after adoption, others will take effect in OEP 2026 (fall 2025) or OEP 2027 (fall 2026).

What it means for brokers and members, if finalized

Impact on Brokers: Brokers will need to understand these new rules to ensure compliance and in order to accurately advise members. Changes to SEP, OEP, and the renewal processes will require brokers to adapt their practices and stay informed about effective dates and eligibility details.

Coupled with the potential loss of enhanced tax credits at the end of 2025, these new rules would require brokers to be highly educated on eligibility requirements, timelines, and plan selection strategies. Don't worry, Oscar will provide the proper training to help educate you each step of the way.

Impact on Members: Members would experience changes in eligibility verification, special enrollment periods, and renewal processes. The rule aims to increase program integrity and reduce fraud, with the goal of a more stable and reliable marketplace. However, members will need to be aware of new requirements and timelines to maintain coverage and avoid disruptions.

How will Oscar Help You, the Broker?

Throughout the year, Oscar will provide:

Additional **deep-dive webinars** about enhanced tax credit expiration, CMS provisions, and how to best navigate these changes.

Email series with actionable recommendations brokers can take to mitigate the impact of these regulations on their book of business.

One-pagers on available plan options to guide members to the best plan for them.

Broker portal enhancements to proactively identify members who may be impacted by these changes the most.

Select **in-person trainings** throughout the summer and fall.

Oscar is closely following the **budget reconciliation bill in Congress, which may impact OE26. We will keep brokers informed if and when the bill is enacted into law.**

Upcoming Events

JUNE 12

Kick off Oscar's regulatory email series with a deep-dive focused on navigating the proposed provisions shortening OEP and ending monthly SEP for 150% FPL members.

JUNE 17

Regulatory email series focused on navigating the proposed \$5 premium fee for members who auto-renew into a \$0 plan without verifying eligibility.

JUNE 26

Regulatory email series focused on navigating proposed enhanced eligibility checks (DMIs) and FTR status provisions.

JUNE 26

Broker training webinar on navigating the ACA regulatory environment and protecting your book.

- [Register](#) for 10:30 am EST webinar in English
- [Register](#) for 1:30 pm EST webinar in Spanish



Key Provisions Brokers Should Know

Proposed Provision	What You Should Know If the Rule is Finalized as Proposed	What Brokers Should Consider
Proposed Provisions to Consider for OE26		
End the monthly SEP for members with incomes at or below 150% FPL.	<p>≤150% FPL members would lose the ability to change carriers and plans monthly and must enroll during OEP to gain or maintain coverage. 150% FPL members that meet standards for other qualifying life events would still be eligible for other SEPs.</p> <p>Members need to be prepared to enroll at the start of November. Given the OEP may now end on December 15, ≤150% FPL members would no longer be able to rely on the monthly SEP period if they do not enroll during OEP.</p> <p>This would be a reversion to previous ACA policy.</p>	<p>Communicate this proposed provision to your ≤150% FPL members, and make sure they are ready to enroll in an ACA plan by the start of OEP.</p>
Create annual income Data Matching Issues (DMIs) when applicants attest to income above 100% FPL, but trusted data sources show income below 100% FPL.	<p>CMS would flag income discrepancies where applicants report income above 100% FPL, but where official data sources (e.g., IRS, Social Security) show income below 100% FPL.</p> <p>If there is a DMI, applicants will see their eligibility is temporary and must submit documentation to verify their prospective income within 90 days. The 90-day period starts once the member receives the notice of temporary eligibility, which is normally at the point of enrollment.</p>	<p>Educate your members on causes of DMIs and remind them of the documents they may need (ideally before OEP). Oscar does not receive detailed DMI information and will be unable to assist.</p> <p>As much as possible, try to collect documents ahead of time.</p> <p>Refer to the CMS Guide to Confirming Your Income Information for more detail.</p>
Remove the automatic 60 day extension, in addition to the 90-day period, to provide income verification documents.	<p>CMS proposed to remove the automatic application of the 60-day extension for all enrollees, that was in addition to the 90-day period, to provide documentation for a DMI.</p> <p>This means the total period to provide income verification documents would be reduced from 150 days to 90. The 90-day period starts once the member receives the notice of temporary eligibility, which is normally at the point of enrollment.</p> <p>This would be a reversion to previous ACA policy.</p>	<p>Remind members of what documents can be submitted to resolve DMIs, and the shortened period to submit verification documents. As much as possible, try to collect documents ahead of time.</p>

Legal Disclaimer: The following document involves proposed regulatory rules that are subject to change. It is not intended as, nor does it constitute legal advice. The information provided, whether in writing, or in verbal communication, should not be considered a substitute for seeking advice from your own qualified legal counsel. This information is not intended to be relied upon to make a legal decision.

Proposed Provision	What You Should Know If the Rule is Finalized as Proposed	What Brokers Should Consider
Proposed Provisions to Consider for OE26 (Cont.)		
Remove the requirement that Exchanges accept an applicant's attestation of household income and family size without verification, in the scenario there is no tax return income available to verify.	<p>Previously, applicants could attest to prospective income without triggering an income DMI when (1) the Exchange requests tax return data from the IRS to verify income, and (2) the IRS confirms there is no such tax return data available.</p> <p>If finalized as proposed, Exchanges would require the verification of household income with CMS approved sources when tax return data is unavailable. Applicants should then follow the full alternative verification process.</p> <p>This would be a reversion to previous ACA policy.</p>	Remind members to gather income verification documents ahead of OEP. Attestation alone is no longer a sufficient document type.
Conduct pre-enrollment verifications for other categories of SEPs for Exchanges on the Federal platform.	<p>CMS would conduct pre-enrollment verifications for multiple types of SEPs, rather than limit verifications to only the loss of minimum essential coverage. The goal is for CMS to make sure it verifies the life changes members are undergoing and confirm the member's SEP eligibility.</p> <p>This would be a reversion to previous ACA policy.</p> <p>What you should also know: Beginning PY26, CMS would require that all Exchanges, including all State-Based Exchanges, conduct SEP verifications for at least 75% of new enrollments through SEPs.</p>	Proactively assist members to prepare verification documents for all SEP enrollments.
Shorten the annual Open Enrollment Period (OEP) through all individual market Exchanges from November 1 through January 15 to November 1 through December 15.	<p>Beginning this fall, CMS proposes OEP run from November 1 through December 15.</p> <p>This would shorten the OEP from 75 days to 45. Brokers should inform members of this change and urge them to enroll earlier in the season to ensure coverage starts January 1st.</p> <p>Additionally, as noted above, ≤150% FPL members would no longer be able to rely on this SEP to gain coverage if they miss the OEP window (unless they meet other SEP requirements for a qualifying life event).</p> <p>This would be a reversion to previous ACA policy.</p>	<ol style="list-style-type: none"> 1. Educate members of this change to ensure coverage successfully begins January 1st. 2. Communicate to ≤150% FPL members that they would no longer be able to rely on this SEP to gain coverage if they do not enroll during OEP. 3. Prepare for heightened administrative burden during this shortened period.

Provision	What You Should Know If the Rule is Finalized as Proposed	What Brokers Should Consider
Proposed Provisions to Consider for OE26 (Cont.)		
Reinstate the policy that a member is ineligible for APTC if they 1) received APTC in a prior year and 2) did not file a Federal income tax return and reconcile APTC for that year. This is commonly referred to as “Failure to File and Reconcile” (FTR).	<p>If a member does not file their income taxes for tax year 2023 or 2024, and received APTC in those years, they would be given an FTR status. The member would be notified of their FTR status in early fall of 2025.</p> <p>If a member does not resolve their FTR status by the end of OEP, by filing their taxes and completing IRS Form 8962, they would lose APTC for PY26, starting on 1/1/26.</p> <p>Put simply, members without filed taxes would be at risk of losing APTC eligibility.</p>	Remind members to file taxes and Form 8962 for each year they received APTC.
Exchanges will reduce APTC by \$5 each month for auto-renewed \$0 premium members who fail to verify their APTC eligibility on or before the last day to select a plan for January 1 coverage.	<p>Auto-renewed (passively renewed) \$0 members would have to pay a \$5 premium each month until they verify APTC eligibility. Once eligibility is confirmed by CMS, true APTC would be reinstated going forward.</p> <p>What you should also know: This provision would be effective 1/1/26 for FFM states, and 1/1/27 for SBE states.</p>	<p>Inform members with \$0 plans about this proposed rule, and emphasize the need to actively update and confirm their eligibility during OEP.</p> <p>Be prepared to assist members in updating eligibility.</p>

Update on enhanced tax credits, which are set to expire at the end of 2025

As a reminder, the proposed CMS Program Integrity Rule does not impact the future of enhanced tax credits. The enhanced tax credits are slated to expire at the end of 2025, and therefore revert to the original ACA tax credit schedule for PY 2026. Congress has to take action to renew these tax credits in their current (or a modified) version.

Brokers can proactively inform subsidized members about the potential impact to their enhanced tax credits. Additionally, keep a look out for additional communications from Oscar - we will provide plan selection strategies ahead of OEP to help identify the best plan for your members.



Frequently Asked Questions

Broker Checklist

1. How can I best prepare my members for this OEP and ensure they maintain their APTC eligibility?

- a. One simple idea you may try is starting early to help keep your members organized – with something like a checklist for existing and new members:



Broker checklist for **existing** members

Reach out to members prior to the beginning of OEP and start the conversation early

Let your members know all of the potential documentation to pull together ahead of time

Income verification: [List of potential income verification documents from CMS](#)

Citizenship or Immigration: [List of potential confirmation documents from CMS](#)

Tax filings: Remind members to file taxes for each year they received APTC



Broker checklist for **new** members

Ask your prospective member to gather a list of documents so that you can ensure the smoothest enrollment possible

Inform prospective members of all the potential documentation to pull together ahead of time

Income verification: [List of potential income verification documents from CMS](#)

Citizenship or Immigration: [List of potential confirmation documents from CMS](#)

Tax filings: Remind members to file taxes for each year they received APTC

DMIs

2. Will I be notified if one of my members has a Data Matching Issue (DMI)?

- a. Yes. You will be notified of a DMI via email or through the broker portal on the Exchange website (e.g., Healthcare.gov or EDEs). Oscar does not get this information and cannot assist you, however.
- b. Details explaining what caused the DMI will vary, depending on which platform is used to enroll the member. Members will receive notifications directly, which may also prompt them to contact their broker.
- c. Explore this link to see different [eligibility determination notices from CMS](#).

3. Is there a way to proactively check for potential DMIs before they enroll?

- a. While there is no CMS system to check for DMIs before members enroll, brokers can be proactive. Brokers can discuss prospective income rules with members and collect all necessary documentation ahead of time.

4. What documentation is required for members to verify their prospective income in the case of a DMI?

- a. Please refer to this [CMS Guide to Confirming Your Income Information](#), as well as this CMS link [here](#) for a list of potential income verification documents.

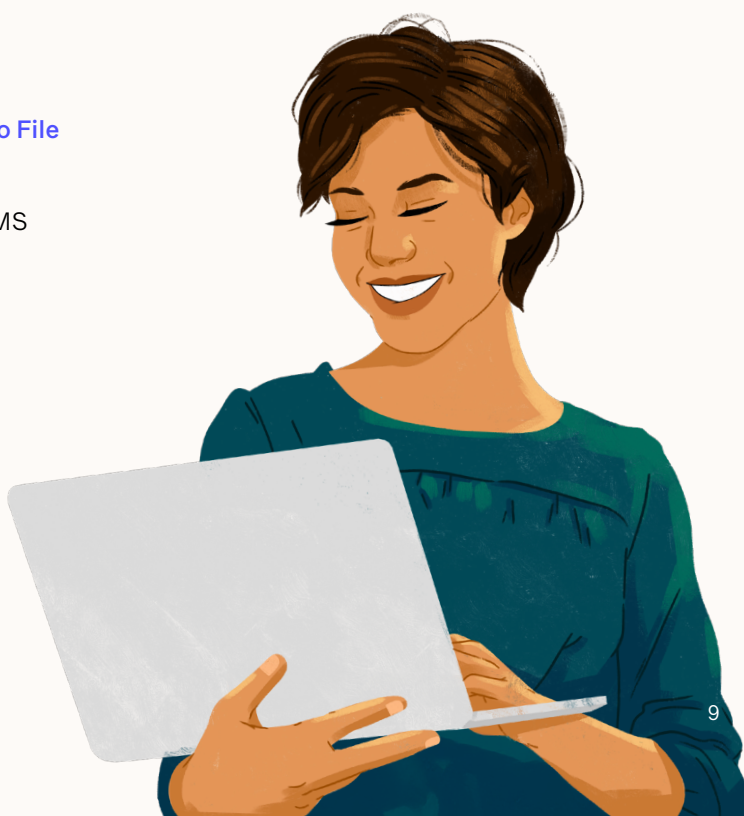
5. What documentation is required for members to verify their citizenship or immigration status in the case of a DMI?

- a. Example documents to confirm your citizenship can be found through this CMS link [here](#).
- b. Example documents to confirm your immigration status can be found through this CMS link [here](#).

FTR

6. What steps can a member take to rectify their Failure to File and Reconcile (FTR) status?

- a. Prior to OEP, members will be sent notices from CMS indicating their FTR status. The notice will provide directions to complete the required reconciliation by filing tax returns for missing years and filling out IRS Form 8962.



\$5 Passive Renewal Premium

7. What steps should I take to ensure my auto-renewed \$0 premium members are aware of the potential \$5 monthly charge and how they can avoid this fee, if the rule is finalized?

- a. It may be helpful to prepare your members prior to OEP and help them take an active role in their plan selection, validating their subsidy eligibility, and avoiding the \$5 fee.
- b. Another potential idea is to ensure you have a list of your members currently on \$0 plans and treat them all like an active renewal during OEP.
 - i. [Oscar is working on making this easy for you. We are working to help identify and flag these members. More details to come!](#)
- c. Let these members know that they will need to ensure they have their subsidy eligibility documentation handy and make an active plan enrollment, otherwise they will be subject to the \$5 fee.
- d. Keep an eye on your Oscar portal to ensure all of your \$0 members are successfully renewed.

8. How can I assist members with this verification process?

- a. Ensure that your members gather the proper income documentation prior to signing up for their plan.
- b. Treat each of these members as an active renewal, even if they do not want to make plan changes.

9. Will members who pay a \$5 premium get a refund if they verify eligibility later in PY 2026, if the rule is finalized?

- a. No, if a member updates their eligibility in PY26 and qualifies for a \$0 plan, that plan would be reinstated proactively, not retroactively.

10. Can the insurer waive the \$5 premium, if the rule is finalized?

- a. No, because this would be a CMS requirement, Oscar would be unable to waive the \$5 premium.

OEP and SEP

11. How would the proposed shortened OEP impact members who typically wait until January to enroll?

- a. The OEP window would be shortened from 75 to 45 days, which means members would have less time to enroll. Members **would need to** enroll between November 1st and December 15th.
- b. Additionally, ≤150% FPL members would no longer be eligible for monthly SEP if they miss the OEP window and do not meet requirements for another SEP based on a qualifying life event.
- c. Be sure to inform members of this proposal and encourage them to enroll earlier.

12. Can I begin renewing my members earlier given the proposed shortened OEP?

- a. Unfortunately, even with the proposed shortened window, renewals are expected to launch around the same time as previous years.