oscar

Oscar Deep-Dive:

Changes to Income Eligibility Checks

In June 2025, CMS finalized its Program Integrity Rule. The rule focuses on preventing fraud, waste, and abuse in the individual market.

The final rule includes three key changes to income eligibility checks:

1. **Data Matching Issues (DMIs) will be triggered when:**
    a. Applicants self-attest to prospective income above 100% FPL, CMS checks its trusted data sources (e.g., IRS, Social Security) **and finds that 2024 income for the applicant is below 100% FPL.**
        i. For reference, 100% FPL for a one-person household in 2025 is $15.7K. 2026 FPL levels have not been determined yet.
    b. 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.
    c. As finalized, this provision will be in effect for OEP 2026 and continue through PY 2026. The provision will sunset at the end of PY 2026.
    d. We provide a detailed case study of a DMI trigger and resolution in this document.

2. **Exchanges require the verification of household income with CMS approved sources when tax return data for that household is unavailable.**
    a. 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.
    b. As finalized, this provision will be in effect for OEP 2026 and continue through PY 2026. The provision will sunset at the end of PY 2026.

3. **End the *automatic* 60-day extension, in addition to the 90-day period, to provide income verification documents.**
    a. This means the total period to provide income verification documents will 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.

How brokers can prepare members for income eligibility checks

Preparing to help members resolve DMIs

What can brokers do now?

- Have existing members gather key documents
- Start conversations with members early because of these new eligibility checks

What can brokers do during OEP?

- Inform members of the 90-day window
- Provide CMS resources that list eligible verification documents

Helpful Resources for Resolving DMIs

CMS Guide to Confirming Your Income Information

Potential Documents to Confirm Income, Immigration, and Citizenship from CMS

Example Eligibility Determination Notices from CMS

Process flow of an income-driven DMI

Process flow of an income-driven DMI – Triggering a DMI

Sue submits prospective 2026 income that is above 100% FPL (>$15.7K*).

→

CMS checks trusted data sources (e.g., IRS, SSA) to confirm Sue's income.

→

CMS confirms Sue's 2024 income was above 100% FPL –

NO DMI

→

CMS data sources show Sue's 2024 income was less than 100% FPL (<$15.7K) –

DMI IS TRIGGERED

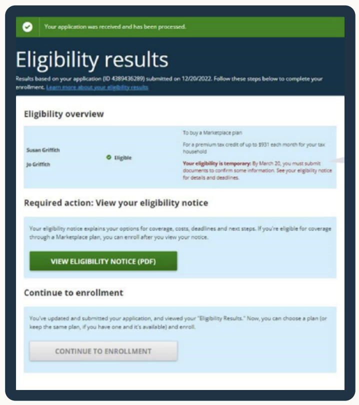
*$15.7K is from the HHS Poverty Guidelines for 2025 and for a one-person household. 2026 FPL levels may return a different figure.

Process flow of an income-driven DMI – Resolving a DMI

CMS data sources show Sue's 2024 income was less than 100% FPL (<$15.7K) –

DMI IS TRIGGERED

Sue receives **"temporary eligibility"**, and is notified that she needs to provide supporting documentation.



Sue has 90 days from receiving this notice to provide documentation. She will receive multiple notices from the EDE/exchange via email/text to correct.

Sue is no longer automatically granted the automatic 60-day extension.

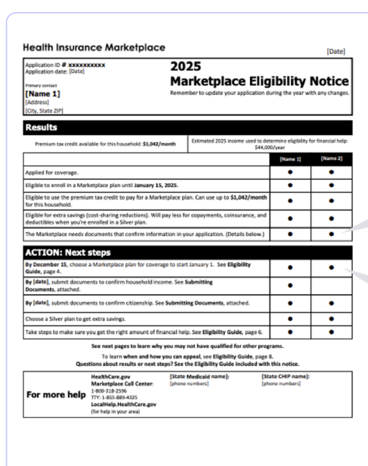
Sue's broker should also be notified of the DMI and can assist her - *but details regarding the DMI will vary by EDE.* **Oscar does not get this info.**

Compiling income verification documents

CMS has several resources to help identify which documents can be used to verify prospective income.

1. CMS will provide the member with information on which documents they can submit to verify their prospective income in their eligibility notice. See different [eligibility determination notices from CMS](#).
2. The [CMS Guide to Confirming Your Income Information](#) provides helpful examples on how to verify prospective income.
3. CMS also lists [potential documents to confirm your income](#) on their website.

1



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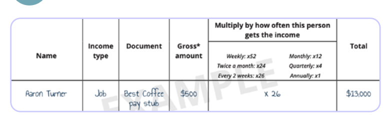

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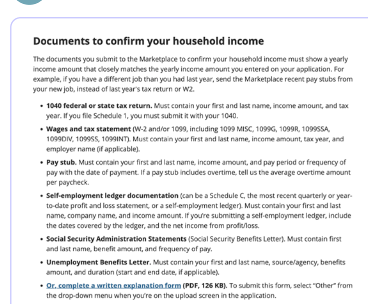


Non-exhaustive list of helpful resources from CMS:

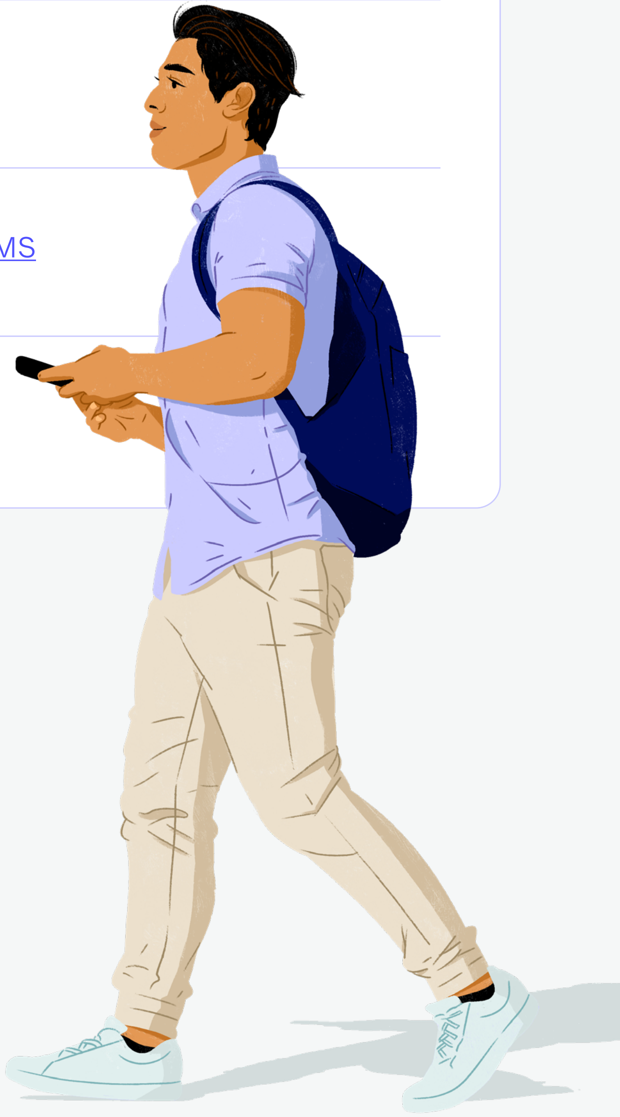
[CMS Guide to Confirming Your Income Information]

[Potential Documents to Confirm Income from CMS]

[Potential Documents to Confirm Citizenship from CMS]

[Potential Documents to Confirm Immigration Status from CMS]

[Example Eligibility Determination Notices from CMS]



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