

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Medicare
7500 Security Boulevard, Mail Stop S2-22-25
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MEDICARE PLAN PAYMENT GROUP

DATE: November 22, 2010

TO: All Medicare Advantage Organizations, Prescription Drug Plans, Cost Plans, PACE Organizations and Demonstrations

FROM: Cheri Rice /s/
Acting Director

SUBJECT: Medicare Advantage Prescription Drug System (MARx) December 2010 Payment – INFORMATION

This letter provides information regarding the December 2010 payment scheduled for receipt on December 1, 2010, and other payment related items that may require plan action.

User Fee Collections

The FY 2011 user fee collections will resume in January. The Coordination of Benefits (COB) user fee will be \$.13 per Part D member per month from January to September for a total of \$1.17 Million. The National Medicare Education Campaign (NMEC) user fee for MA-PD plans will be .047%; the total amount to be collected is \$51.9 Million. The NMEC user fee for PDPs will be .050%; the total amount to be collected is \$19.2 Million.

Quarterly Medicaid Update

The quarterly update of the default risk adjustment factors for Medicaid status was included in the December payment. The transaction reply reports (TRR) will contain transaction type 30s and transaction reply codes (TRC) 077s for impacted members. The adjustments will appear on the Monthly Membership Reports (MMRs) with adjustment reason code (ARC) 10.

Segment Change Cleanup

Some plan submitted segment change transactions were accepted and processed by MARX but the associated payments were not computed. The impacted plans received no payments from the effective dates of the segment changes. A cleanup was processed to create the missing payments for these segment change transactions. These payments are identified with ARC 38 on the MMRs.

Delay in Premium Withhold Requests for Railroad Retirement Board (RRB) Members

Plans should not submit requests for premium withhold for RRB members at this time. The RRB has notified CMS of a delay in their implementation. Please continue to hold RRB premium withhold requests until further notice.

Enhancements to the IACS Identity Manager System

The plans' External Point of Contacts (EPOCs) now have the ability in the IACS system to manage the users they have approved for each contract number. This new functionality allows EPOCs to remove users who no longer require access to the plan data at CMS, including submitters. This eliminates the need to contact the MAPD Help Desk for this service. In addition, EPOCs may update email addresses and other contact information in IACS for their approved users.

Please contact the appropriate Division of Payment Operations (DPO) representative (list attached) with questions about information in this letter or assistance with other payment or premium related issues. Thank you.

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