

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Medicare
7500 Security Boulevard, Mail Stop S2-22-25
Baltimore, Maryland 21244-1850



MEDICARE PLAN PAYMENT GROUP

DATE: December 23, 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) January 2011 Payment – INFORMATION

This letter provides information regarding the January 2011 payment scheduled for receipt on January 3, 2011, and other payment related items that may require plan action.

User Fee Collections

The 2011 user fee collections have resumed in the January payment. 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.

2008 Frailty Factor Update for PACE Plans

A cleanup was processed in the payment system to correct and update the 2008 frailty factors for PACE plans. Payment adjustments of more than \$2.4 Million were recouped from the affected plans. The adjustments will be reflected under Adjustment Reason Code (ARC) 25 on the Monthly Membership Report (MMR).

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

Another reminder that 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.

Part D Coverage Gap Discount (CGD) Amounts on the Monthly Membership Summary Reports (MMRSUM)

Effective with the January 2011 payment, CGD amounts paid to plans will appear on the MMR detail reports for impacted members. When the CGD amounts are summarized on the MMRSUM; however, they are incorrect. The CGD amounts on the MMR detail reports and the

amounts paid to the plans are CORRECT. Only the reporting on the MMRSUM is incorrect. Plans may use their Plan Payment Reports to obtain the correct CGD summary.

Plan Action Regarding Use of MMR Detail Report – Formatted Version

We are requesting assistance from plans that use the formatted report version of the MMR Detail Report. This formatted report requires changes to bring it up to date with the MMR Detail data file. We would like to hear from plans that use and would like to retain the formatted MMR Detail report. Please contact your DPO representative and provide information on how this report is used in your organization and what additional data would make it more useful. The information obtained will assist us in determining whether to revise the report or discontinue it.

Formatting Issue on MMR Summary Report

There is a space issue on the MMR Summary Report (MMRSUM) total Part D amount. When the Part D monthly payment amount total reflects a negative value, the negative sign is not displayed. Plans should be aware of this discrepancy when reconciling payments from the MMR detail to the summary reports. CMS will notify plans when this issue is corrected.

Plan Payment Report (PPR) Data File Format

The layout for the PPR data file contained in the Plan Communications Users Guide is missing fields 13 – 15 from the Capitated Payment – Current Activity record (E.26.2).

13	Part D Total Members	26- 33	8	Numeric	Number of beneficiaries Part D payments is being made prospectively. Format: ZZZZZZZ9
14	Part A Payment Amount	34- 46	13	Numeric	Total Part A Amount Format: SSSSSSSS9.99
15	Part B Payment Amount	47- 59	13	Numeric	Total Part B Amount Format: SSSSSSSS9.99

The layout contained in Attachment G of the MARx November Release Letter, dated August 30, 2010, is correct. The web version of the Guide has been corrected.

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.

DIVISION OF PAYMENT OPERATIONS (DPO)
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