DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Drug and Health Plan Choice
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CMS/
CENTERS for MEDICARE & MEDICAID SERVICES

MEDICARE PLAN PAYMENT GROUP

DATE: October 13, 2009

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

FROM: Thomas Hutchinson /s/
              Director, Medicare Plan Payment Group

              Alan Constantian /s/
              Director, Information Services Design and Development Group

SUBJECT: Addendum – November 2009 Software Release – ACTION

This is an addendum to the original memo entitled "Announcement of November 2009 Software
Release" last updated on September 4, 2009. This addendum contains important additional
information regarding system changes that are scheduled for implementation as of November 14,
2009.

Addition of Contract-Level Frailty Score Factor
MA Coding Differences Adjustment, as applied to risk scores on the MMR
For payment year 2010, CMS will apply an adjustment for differences in coding patterns
between MA and FFS, as discussed in the April 6, 2009 memo entitled "*2010 Announcement of
Calendar year 2010 Medicare Advantage Capitation Rates and Medicare Advantage and Part D
Payment Policies*" to the following risk scores:

- CMS-HCC community and institutional aged/disabled
- CMS-HCC aged/disabled new enrollee
- CMS-HCC community and institutional post graft
- CMS-HCC post graft new enrollee

CMS will not be applying the MA coding adjustment to the following:

- CMS-HCC ESRD risk scores (including community, institutional, and new enrollee)
- Transplant Score
- Part D risk scores

The appropriate normalization factors will be applied to all risk scores.

Frailty Scores on the MMR
Currently, the MMR detail file shows Risk Adjuster Factor A & Risk Adjuster Factor B that are used in payment (after possible adjustments have been applied) (fields 24 & 25) and a Frailty Indicator (field 48) indicating whether the risk score of any particular enrollee in the contract has had a frailty score added to it.

- Default risk scores used by MARx will have MA coding adjustment already applied
- Part C risk scores used by MARx will have an MA coding adjustment already applied

The new field on the MMR detail file, **Part C Frailty Score** (field 81, positions 412 to 418) displays the contract-level frailty score, i.e., the frailty score that is incorporated into the final risk score for payment for an eligible beneficiary enrolled in a frailty plan. This value is provided only when a **Part C Frailty Score** is added to the risk score.

Note: Frailty Indicator (field 48) will show "Y" if a **Part C Frailty Score** is provided. When applicable, **Part C Frailty Score** will be provided with payment months covering January 2010 and later. The Part C Frailty Score ("**Factors Frailty Score**") will also be provided on Monthly Membership Detail Report –Non-Drug Plans. (See attached layouts of the data file and report formats.)

The UI will not provide any display of the **Part C Frailty Score**.

Expansion of the MMR
The MMR detail data file will be expanded from 411 to 475 bytes. This expansion in length is to allow the addition of the frailty score factor described above and for future data elements. None of the existing fields are being moved so plans need only revise their programs to accept the expanded version. Positions 419 to 475 will be filler. The layout is attached.

If you have any questions about the expansion of the MMR item in this letter, please contact your Division of Payment Operations (DPO) representative per the attached list. If you have questions about the Part C Frailty Score, please contact analyst@asriskadjustment.com.

Plans are encouraged to contact the MAPD Help Desk for any issues encountered during the systems update process. Please direct any questions or concerns to the MAPD Help Desk at 1-800-927-8069 or email at mapdhelp@cms.hhs.gov. Thank you.

Monthly Membership Detail Data File

Item	Field Name	Size	Position	Description
1	MCO Contract Number	5	1 - 5	MCO Contract Number
2	Run Date of the File	8	6 - 13	YYYYMMDD
3	Payment Date	6	14 - 19	YYYYMM
4	HIC Number	12	20 - 31	Member's HIC #
5	Surname	7	32 - 38	
6	First Initial	1	39	
7	Sex	1	40	M = Male, F = Female
8	Date of Birth	8	41 - 48	YYYYMMDD
9	Age Group	4	49 - 52	BBEE BB = Beginning Age EE = Ending Age
10	State & County Code	5	53 - 57	
11	Out of Area Indicator	1	58	Y = Out of Contract-level service area Always Spaces on Adjustment
12	Part A Entitlement	1	59	Y = Entitled to Part A
13	Part B Entitlement	1	60	Y = Entitled to Part B
14	Hospice	1	61	Y = Hospice
15	ESRD	1	62	Y = ESRD
16	Aged/Disabled MSP	1	63	Y = Aged/Disabled MSP
17	Institutional	1	64	Y = Institutional (monthly)
18	NHC	1	65	Y = Nursing Home Certifiable

Monthly Membership Detail Data File

Item	Field Name	Size	Position	Description
19	New Medicare Beneficiary Medicaid Status Flag	1	66	1. Prior to calendar 2008, payments and payment adjustments report as follows: • Y = Medicaid status, • Blank = not Medicaid. 2. In calendar 2008, payments and payment adjustments were reported as follows: • Y = Beneficiary is Medicaid and a default risk factor was used, • N = Beneficiary is not Medicaid and a default risk factor was used, • Blank = CMS is not using a default risk factor or the beneficiary is Part D only. 3. Beginning in calendar 2009: • Payment adjustments with effective dates in 2008 and after, and all prospective payments report as follows: ○ Y = Beneficiary is Medicaid and a default risk factor was used, ○ N = Beneficiary is not Medicaid and a default risk factor was used, ○ Blank = CMS is not using a default risk factor or the beneficiary is Part D only. • Payment adjustments with effective dates in 2007 and earlier report as follows: ○ Y = A payment adjustment was made at a "Medicaid" rate to the demographic component of a blended payment. ○ N = A payment adjustment was made to the demographic payment component of a blended payment. The adjustment was not at a "Medicaid" rate. ○ Blank = either the adjusted payment had no demographic component, or only the risk portion of a blended payment was adjusted.
20	LTI Flag	1	67	Y = Part C Long Term Institutional
21	Medicaid Indicator	1	68	Y = Medicaid Add-on to beneficiary RAS factor Blank = No Medicaid Add-on

Monthly Membership Detail Data File

Item	Field Name	Size	Position	Description
22	PIP-DCG	2	69 - 70	PIP-DCG Category - Only on pre-2004 adjustments
23	Default Risk Factor Code	1	71	• Prior to 2004, 'Y' indicates a new enrollee risk adjustment (RA) factor was in use. • In the period 2004 through 2008, 'Y' indicates that a default factor was generated by the system due to lack of a RA factor. • For 2009 and after, for payments and payment adjustments and regardless of the effective date of the adjustment, the following applies: '1' = Default Enrollee- Aged/Disabled '2' = Default Enrollee- ESRD dialysis '3' = Default Enrollee- ESRD Transplant Kidney, Month 1 '4' = Default Enrollee- ESRD Transplant Kidney, Months 2-3 '5' = Default Enrollee- ESRD Post Graft, Months 4-9 '6' = Default Enrollee- ESRD Post Graft, 10+Months Blank = The beneficiary is not a default enrollee.
24	Risk Adjuster Factor A	7	72 - 78	NN.DDDD
25	Risk Adjuster Factor B	7	79 - 85	NN.DDDD
26	Number of Paymt/Adjustmt Months Part A	2	86 - 87	FORMAT: 99
27	Number of Paymt/Adjustmt Months Part B	2	88 - 89	FORMAT: 99
28	Adjustment Reason Code	2	90 - 91	Always Spaces on Payment and MSA Deposit or Recovery Records, FORMAT: 99
29	Paymt/Adjustment/MSA Start Date	8	92 - 99	FORMAT: YYYYMMDD
30	Paymt/Adjustment/MSA End Date	8	100 - 107	FORMAT: YYYYMMDD
31	Demographic Paymt/Adjustmt Rate A	9	108 - 116	FORMAT: -99999.99

Monthly Membership Detail Data File

Item	Field Name	Size	Position	Description
32	Demographic Paymt/Adjustmt Rate B	9	117 - 125	FORMAT: -99999.99
33	Risk Adjuster Paymt/Adjustmt Rate A	9	126 - 134	Part A portion for the beneficiary's payment or payment adjustment dollars. For MSA Plans, the amount does not include any lump sum deposit or recovery amounts. It is the Plan capitated payment only, which includes the MSA monthly deposit amount as a negative term. FORMAT: -99999.99
34	Risk Adjuster Paymt/Adjustmt Rate B	9	135 - 143	Part B portion for the beneficiary's payment or payment adjustment dollars. For MSA Plans, the amount does not include any lump sum deposit or recovery amounts. It is the Plan capitated payment only, which includes the MSA monthly deposit amount as a negative term. FORMAT: -99999.99
35	LIS Premium Subsidy	8	144 - 151	FORMAT: -9999.99
36	ESRD MSP Flag	1	152	Format X. Values = 'Y' or 'N'(default) Indicates if Medicare is the Secondary Payer.
37	MSA Part A Deposit/Recovery Amount	8	153 - 160	Medicare Savings Account (MSA) lump sum Part A dollars to be deposited / recovered. Deposits are positive values and recoveries are negative. FORMAT: -9999.99
38	MSA Part B Deposit/Recovery Amount	8	161 - 168	Medicare Savings Account (MSA) lump sum Part B dollars to be deposited / recovered. Deposits are positive values and recoveries are negative. FORMAT: -9999.99
39	MSA Deposit/Recovery Months	2	169 - 170	Number of months associated with MSA deposit or recovery dollars

Monthly Membership Detail Data File

Item	Field Name	Size	Position	Description
40	Beneficiary Current Medicaid Status	1	171	Beginning in mid-2008, this field reports the beneficiary's current Medicaid status. (Prior to 11/07, Medicaid status was reported in field #19.) '1' = Beneficiary was determined to be Medicaid as of current payment month minus two (CPM –2) or minus one (CPM – 1), '0' = Beneficiary was not determined to be Medicaid as of current payment month minus two (CPM – 2) or minus one (CPM – 1), Blank = This is a retroactive transaction and Medicaid status is not reported.
41	Risk Adjuster Age Group (RAAG)	4	172 - 175	BBEE BB = Beginning Age EE = Ending Age
42	Previous Disable Ratio (PRDIB)	7	176 - 182	NN.DDDD Percentage of Year (in months) for Previous Disable Add-On – Only on pre-2004 adjustments
43	De Minimis	1	183	**2009 and later:** N = "De Minimis" does not apply **2008 and earlier** N = "De Minimis" does not apply Y = "De Minimis" applies
44	Beneficiary Dual and Part D Enrollment Status Flag	1	184	'0' - Non-Drug plan Plan without drug benefit, beneficiary not dual enrolled '1' – Drug plan Plan with drug benefit, beneficiary not dual enrolled '2' –Non-Drug plan Plan without drug benefit, beneficiary dual enrolled '3' Drug plan Plan with drug benefit, beneficiary dual enrolled.

Monthly Membership Detail Data File

Item	Field Name	Size	Position	Description
45	Plan Benefit Package Id	3	185 - 187	Plan Benefit Package Id FORMAT 999
46	Race Code	1	188	Format X Values: 0 = Unknown 1 = White 2 = Black 3 = Other 4 = Asian 5 = Hispanic 6 = N. American Native
47	RA Factor Type Code	2	189 - 190	Type of factors in use (see Fields 24-25): C = Community C1 = Community Post-Graft I (ESRD) C2 = Community Post-Graft II (ESRD) D = Dialysis (ESRD) E = New Enrollee ED = New Enrollee Dialysis (ESRD) E1 = New Enrollee Post-Graft I (ESRD) E2 = New Enrollee Post-Graft II (ESRD) G1 = Graft I (ESRD) G2 = Graft II (ESRD) I = Institutional I1 = Institutional Post-Graft I (ESRD) I2 = Institutional Post-Graft II (ESRD)
48	Frailty Indicator	1	191	Y = MCO-level Frailty Factor Included
49	Original Reason for Entitlement Code (OREC)	1	192	0 = Beneficiary insured due to age 1 = Beneficiary insured due to disability 2 = Beneficiary insured due to ESRD 3 = Beneficiary insured due to disability and current ESRD
50	Lag Indicator	1	193	Y = Encounter data used to calculate RA factor lags payment year by 6 months

Monthly Membership Detail Data File

Item	Field Name	Size	Position	Description
51	Segment ID	3	194 - 196	Identification number of the segment of the PBP. Blank if there are no segments.
52	Enrollment Source	1	197	The source of the enrollment. Values are A = Auto-enrolled by CMS B = Beneficiary election C = Facilitated enrollment by CMS D = Systematic enrollment by CMS (rollover)
53	EGHP Flag	1	198	Employer Group flag; Y = member of employer group, N = member is not in an employer group
54	Part C Basic Premium – Part A Amount	8	199 - 206	The premium amount for determining the MA payment attributable to Part A. It is subtracted from the MA plan payment for plans that bid above the benchmark. -9999.99
55	Part C Basic Premium – Part B Amount	8	207 - 214	The premium amount for determining the MA payment attributable to Part B. It is subtracted from the MA plan payment for plans that bid above the benchmark. -9999.99
56	Rebate for Part A Cost Sharing Reduction	8	215 - 222	The amount of the rebate allocated to reducing the member's Part A cost-sharing. This amount is added to the MA plan payment for plans that bid below the benchmark. -9999.99
57	Rebate for Part B Cost Sharing Reduction	8	223 - 230	The amount of the rebate allocated to reducing the member's Part B cost-sharing. This amount is added to the MA plan payment for plans that bid below the benchmark. -9999.99
58	Rebate for Other Part A Mandatory Supplemental Benefits	8	231 - 238	The amount of the rebate allocated to providing Part A supplemental benefits. This amount is added to the MA plan payment for plans that bid below the benchmark. -9999.99

Monthly Membership Detail Data File

Item	Field Name	Size	Position	Description
59	Rebate for Other Part B Mandatory Supplemental Benefits	8	239 - 246	The amount of the rebate allocated to providing Part B supplemental benefits. This amount is added to the MA plan payment for plans that bid below the benchmark. -9999.99
60	Rebate for Part B Premium Reduction – Part A Amount	8	247 - 254	The Part A amount of the rebate allocated to reducing the member's Part B premium. This amount is retained by CMS for non ESRD members and it is subtracted from ESRD member's payments. -9999.99
61	Rebate for Part B Premium Reduction – Part B Amount	8	255 - 262	The Part B amount of the rebate allocated to reducing the member's Part B premium. This amount is retained by CMS for non ESRD members and it is subtracted from ESRD member's payments. -9999.99
62	Rebate for Part D Supplemental Benefits – Part A Amount	8	263 - 270	Part A Amount of the rebate allocated to providing Part D supplemental benefits. -9999.99
63	Rebate for Part D Supplemental Benefits – Part B Amount	8	271 - 278	Part B Amount of the rebate allocated to providing Part D supplemental benefits. -9999.99
64	Total Part A MA Payment	10	279 - 288	The total Part A MA payment. -999999.99
65	Total Part B MA Payment	10	289 - 298	The total Part B MA payment. -999999.99
66	Total MA Payment Amount	11	299 - 309	The total MA A/B payment including MMA adjustments. This also includes the Rebate Amount for Part D Supplemental Benefits -9999999.99
67	Part D RA Factor	7	310 - 316	The member's Part D risk adjustment factor. NN.DDDD

Monthly Membership Detail Data File

Item	Field Name	Size	Position	Description
68	Part D Low-Income Indicator	1	317	An indicator to identify if the Part D Low-Income multiplier is included in the Part D payment. Values are 1 (subset 1), 2 (subset 2) or blank.
69	Part D Low-Income Multiplier	7	318 - 324	The member's Part D low-income multiplier. NN.DDDD
70	Part D Long Term Institutional Indicator	1	325	An indicator to identify if the Part D Long-Term Institutional multiplier is included in the Part D payment. Values are A (aged), D (disabled) or blank.
71	Part D Long Term Institutional Multiplier	7	326 - 332	The member's Part D institutional multiplier. NN.DDDD
72	Rebate for Part D Basic Premium Reduction	8	333 - 340	Amount of the rebate allocated to reducing the member's basic Part D premium. -9999.99
73	Part D Basic Premium Amount	8	341 - 348	The plan's Part D premium amount. -9999.99
74	Part D Direct Subsidy Payment Amount	10	349 - 358	The total Part D Direct subsidy payment for the member. When POS contract (X is first character of contract number), then it is total POS Direct Subsidy for the member. -999999.99
75	Reinsurance Subsidy Amount	10	359 - 368	The amount of the reinsurance subsidy included in the payment. -999999.99
76	Low-Income Subsidy Cost-Sharing Amount	10	369 - 378	The amount of the low-income subsidy cost-sharing amount included in the payment. -999999.99
77	Total Part D Payment	11	379 - 389	The total Part D payment for the member -9999999.99.
78	Number of Paymt/Adjustmt Months Part D	2	390 - 391	FORMAT: 99
79	PACE Premium Add On	10	392 - 401	Total Part D Pace Premium Add-on amount -999999.99

Monthly Membership Detail Data File

Item	Field Name	Size	Position	Description
80	PACE Cost Sharing Add-on	10	402 - 411	Total Part D Pace Cost Sharing Add-on amount -999999.99
81	Part C Frailty Score Factor	7	412 – 418	Beneficiary's Part C frailty score factor. NN.DDDD: otherwise spaces.
82	Filler	57	419 – 475	Spaces

Monthly Membership Detail Report – Non Drug Report (Part C)

(above benchmark bid)

```
                                                              1         1         1         1
              1         2         3         4         5         6         7         8         9         0         1         2         3
    1234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123
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                    ----------------------------------------------------- REBATES -------------------------------------------------
              BASIC PREMIUM │ COST SHR REDUC    MAND SUPP BENEFIT    PART D SUPP BENEFIT      PART B BAS PRM REDUC     PART D BAS PRM REDUC
       PART A  $SSS9.99     │     N/A               N/A                    N/A                       N/A                     N/A
       PART B  $SSS9.99     │     N/A               N/A                    N/A                       N/A                     N/A


              S              ----------  FLAGS --------------   ----------------------  PAYMENTS/ADJUSTMENTS ----------------
CLAIM         E AGE  STATE       P P        M F    A D    S A C MTHS      PAYMENT DATE    LAG    FTYPE  ----FACTORS----       AMOUNT
NUMBER        X GRP  CNTY        A A H E I  C R O  D E E  O D M A B       START   END                  FRAILTY-SCORE    MSP     MSP
------------ - ---- -----        O R R O S N N A A R D F G U M C ---- ---  --------------------------------------------------------
   SURNAME F   DMG  BIRTH        O T T S R S H I I E O A H R S A PIP  ADJ
           I   RA   DATE         A A B P D T C D L C N U P C P I DCG  REA FCTR-A FCTR-B    PART A      PART B     TOTAL PAYMENT
------------ - ---- -----        - - - - - - - - - - - - - - - - ---  ---  --------------------------------------------------------
123456789A   F 8084 33800                                                 200405 200405    Y       C   99.9999   99.9999  $SSSS9.99
   FIRST   G   8084 19200206 Y Y                       1       A Y Z9Z9   ZZ 1.0650 1.0650  $SSSSSS9.99 $SSSSSS9.99   $SSSSSSS9.99
987654321B   M 8084 33800                                                 200405 200405    Y       C   99.9999   99.9999  $SSSS9.99
   SECOND  H   8084 19251008 Y Y Y   Y                 4       D N Z9Z9   ZZ 1.0650 1.0650  $SSSSSS9.99 $SSSSSS9.99   $SSSSSSS9.99
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Monthly Membership Detail Report – Non Drug Report (Part C)

(below benchmark bid)

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                                                                          1         1         1         1
            1         2         3         4         5         6         7         8         9         0         1         2         3
1234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890123


RUN DATE: 20090124                          MONTHLY MEMBERSHIP REPORT – NON DRUG                            PAGE:        1
PAYMENT MONTH:200902                    PLAN(Hzzzz) PBP(nnn) SEGMENT(mmm) PLAN NAME HERE

                    --------------------------------------------------- REBATES ---------------------------------------------
            BASIC PREMIUM | COST SHR REDUC    MAND SUPP BENEFIT    PART D SUPP BENEFIT     PART B BAS PRM REDUC    PART D BAS PRM REDUC
      PART A      N/A     |    $SSS9.99           $SSS9.99             $SSS9.99                  $SSS9.99               $SSS9.99
      PART B      N/A     |    $SSS9.99           $SSS9.99             $SSS9.99                  $SSS9.99               $SSS9.99

            S                    ----------   FLAGS  --------------   ---------------------- PAYMENTS/ADJUSTMENTS ----------------
CLAIM       E AGE  STATE      P P         M F   A D   S A C MTHS      PAYMENT   DATE     LAG    FTYPE    ----FACTORS----       AMOUNT
NUMBER      X GRP  CNTY       A A H E I   C R O D E   O D M A B       START    END                      FRAILTY-SCORE  MSP       MSP
----------- - ---- -----      O R R O S N N A A R D   F G U M C ----  ---   ------------------------------------------------------------
   SURNAME F   DMG  BIRTH     O T T S R S H I I E O   A H R S A PIP   ADJ
         I   RA   DATE        A A B P D T C D L C N   U P C P I DCG   REA FCTR-A FCTR-B    PART A       PART B     TOTAL PAYMENT
----------- - ---- -----      - - - - - - - - - - -   - - - - - ---  --- ------------------------------------------------------------
1234567890AB F 8084 33800                                             200405 200405      Y       C     99.9999    99.9999  $SSSS9.99
   FIRST   G  8084 19200206 Y Y N               1       A Y Z9Z9   ZZ 1.0650 1.0650  $SSSSSS9.99 $SSSSSS9.99   $SSSSSSS9.99
0987654321AB M 8084 33800                                             200405 200405      Y       C     99.9999    99.9999  $SSSS9.99
   SECOND  H  8084 19251008 Y Y Y   Y           4       D N Z9Z9   ZZ 1.0650 1.0650  $SSSSSS9.99 $SSSSSS9.99   $SSSSSSS9.99
```

DPO Regional Assignments

Region	Payment Specialist
Region	**Payment Specialist**
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