DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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MEDICARE PLAN PAYMENT GROUP

**DATE:** July 29, 2019

**TO:** All Medicare Advantage, Prescription Drug Plan, Cost, PACE, and Demonstration Organizations Systems Staff

**FROM:** Jennifer R. Shapiro, Acting Director, Medicare Plan Payment Group
Center for Medicare

Cathy Carter, Director, Enterprise Systems Solutions Group
Office of Information Technology

**SUBJECT:** Announcement of the August 2019 Software Release

This letter provides detailed information regarding the planned release of systems changes scheduled for August 2019. The updates described in this communication will be included in the August 2019 Plan Communications User Guide v13.2, scheduled for publication on August 31, 2019.

The August 2019 software release will include the following:

1. **Programs of All-Inclusive Care for the Elderly (PACE) Risk Factor Changes for 2020**
2. **Enhancements to the Plan Submitted Rollovers (POVERs) Utility on the Medicare Advantage Prescription Drug (MARx) User Interface (UI)**

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 e-mail at mapdhelp@cms.hhs.gov.

## 1. Programs of All-Inclusive Care for the Elderly (PACE) Risk Factor Changes for 2020

As finalized in the 2020 Rate Announcement, CMS will calculate risk scores for PACE organizations using the 2017 CMS-HCC model and the 2019 End Stage Renal Disease (ESRD) dialysis and functioning graft model. In addition, PACE risk scores will be calculated using diagnoses from the Risk Adjustment Processing System (RAPS), Fee-for-Service (FFS) claims, and encounter data records. Beginning in 2020, new PACE-specific factor type codes will be used for enrollees in community and transplant status. These new Risk Adjustment Factor Type Codes will be populated in field 46 of the Monthly Membership Detail File (aka: MMR), and on the MARx User Interface (UI).

These changes will be effective beginning with the January 2020 payment.

Monthly Membership Detail Data File (Field 46)

| Item | Field | Size | Position | Description |
|---|---|---|---|---|
| 46 | Risk Adjustment Factor Type Code | 2 | 189-190 | The type of Part C Risk Adjustment Factor used to calculate this payment or adjustment.<br>C = Community (Adjustments before 2017; PACE only beginning January 2017 and ending December 2019)<br>C1 = Community Post Graft 4-9 (ESRD)<br>C2 = Community Post Graft 10+ (ESRD)<br>CF = Community Full Dual<br>CP = Community Partial Dual<br>CN = Community Non-Dual<br>D = Dialysis (ESRD)<br>E = New Enrollee<br>ED = New Enrollee Dialysis (ESRD)<br>E1 = New Enrollee Post Graft 4-9 (ESRD)<br>E2 = New Enrollee Post Graft 10+ (ESRD)<br>G1 = Graft I (ESRD, transplant month 1)<br>G2 = Graft II (ESRD, transplant months 2-3)<br>I = Institutional<br>I1 = Institutional Post Graft 4-9 (ESRD)<br>I2 = Institutional Post Graft 10+ (ESRD)<br>SE = New Enrollee Chronic Care SNP<br>PA = PACE Dialysis Factor<br>PB = PACE New Enrollee Dialysis Factor |

| Item | Field | Size | Position | Description |
|---|---|---|---|---|
| | | | | PC = PACE Community Post Graft 4-9<br>PD = PACE Institutional Post Graft 4-9<br>PE = PACE New Enrollee Post Graft 4-9<br>PF = PACE Community Post Graft 10+<br>PG = PACE Institutional Post Graft 10+<br>PH = PACE New Enrollee Post Graft 10+<br>PI = PACE Community Full Dual<br>PJ = PACE Community Partial Dual<br>PK = PACE Community Non-Dual<br>PL = PACE Graft I (ESRD, transplant month 1)<br>PM = PACE Graft II (ESRD, transplant months 2-3)<br><br>**Note**: The actual RAF values are in fields 24 – 25. |

Determining Medicaid Statuses:

- Medicaid indicator will no longer populate in Field 21 (Medicaid Indicator) of the MMR for PACE enrollees using a Part C (non-ESRD) community risk adjustment factor in the payment calculation.
- Medicaid status will populate in Field 39 (Medicaid Status) of the MMR for PACE enrollees using a Part C (non-ESRD) community risk adjustment factor in the payment calculation.
- The most recent information on Medicaid periods across multiple months will be populated on the monthly Medicare Advantage Medicaid Status Data file (MCMD). This information is provided so PACE organizations and MAOs can determine what the most recent monthly Medicaid statuses of their enrollees is, even if it is not yet reflected in payment. The most recent Medicaid statuses will be used in payment for Part C (non-ESRD) community risk adjustment factor in the payment calculation, when the payments are reconciled.
- Prior to final risk adjustment reconciliation for a given payment year, MARx will calculate the monthly payment for PACE enrollees using the Medicaid status in effect three months prior to the Current Payment Month (CPM).
- After the final risk adjustment reconciliation for a given payment year, MARx will calculate a retroactive monthly payment for PACE enrollees using the true Medicaid status in effect during the month for which the retroactive payment is calculated.

## 2. Enhancements to the Plan Submitted Rollovers (POVERs) Utility on the Medicare Advantage Prescription Drug (MARx) User Interface (UI)

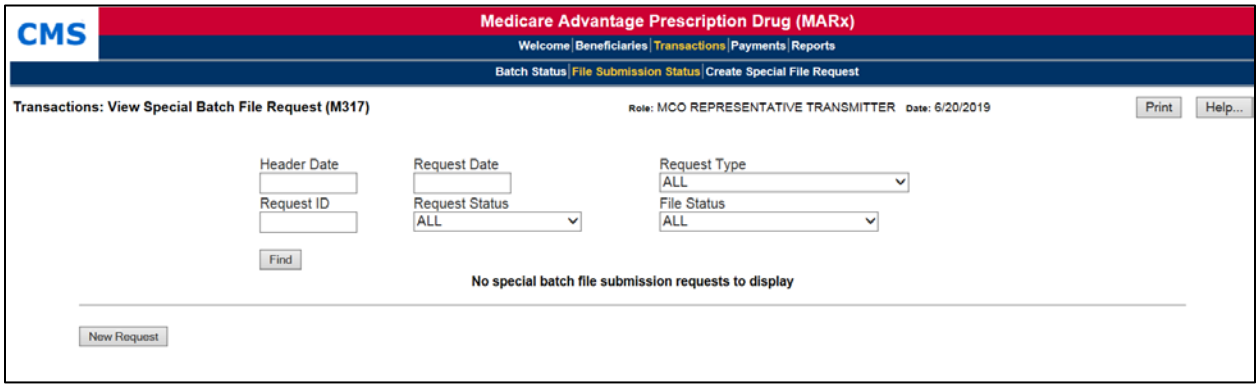
The MARx system validates beneficiary requests; if the requests are valid, beneficiaries are enrolled or disenrolled in the Medicare Advantage Plans and/or Prescription Drug Plans offered by Medicare approved contractors ("Plans"). CMS has policies and practices in place that support beneficiary enrollment changes. Under certain circumstances, Plans must submit special enrollment transactions to move a subset of their beneficiaries into a different Plan.

These special enrollments are often referred to as 'Plan Submitted Rollovers,' or 'POVERs.' Plans submit POVER files through the Special Batch File process. This process allows CMS to review and approve special files within the MARx UI. MARx UI changes will be implemented on August 11, 2019. Users will see the screen changes beginning August 12, 2019.

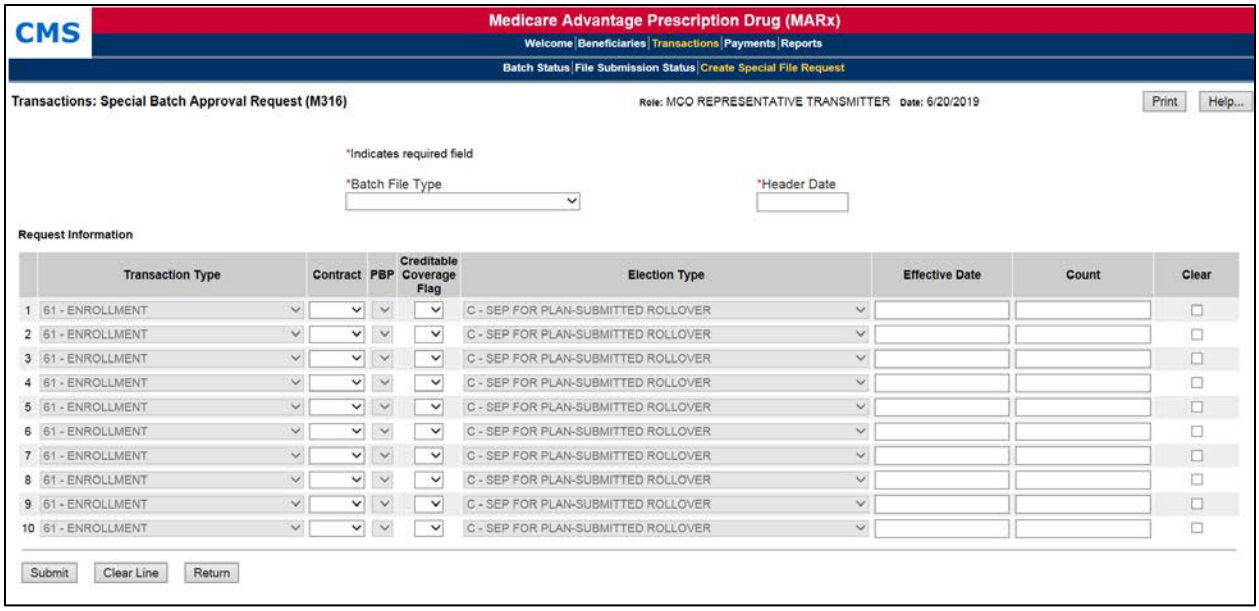
A Plan user with the Managed Care Organization (MCO) Representative Transmitter role may submit Special Batch Files for CMS to review and approve through the MARx UI. The MCO Representative Transmitter submits the Special Batch File by navigating to the Special Batch Approval Request (M316) screen. To do this the user clicks on the |Transactions| tab from the Welcome screen (M101), and follows one of the following:

- Select the |Transactions| tab followed by the |File Submission Status| tab which will open the View Special Batch File Request (M317) screen; then click on the "New Request" button, OR
- Select the |Transactions| tab followed by the |Create Special File Request| tab, thus bypassing the View Special Batch File Request (M317) screen.

On the View Special Batch File Request (M317) screen, the user may search for previously submitted requests.




When the MCO Representative Transmitter user selects the New Request button or the File Submission Request tab, the Special Batch Approval Request (M316) screen opens. Here the user can enter details for batch files that require special approval. These special batch files include Plan Submitted Rollover files, Retroactive files, and Organization Special Review.




When selecting a **Plan Submitted Rollover** for the Batch File Type, the header date will be non-editable. It will be 'grayed out' as soon as the Plan Submitted Rollover option is selected. The Transaction Type and the Election Type fields will be filled in automatically as well, when the Plan Submitted Rollover option is selected. Transaction Type will be set to "61 - ENROLLMENT" and Election Type will be set to "C – SEP FOR PLAN-SUBMITTED ROLLOVER." These fields are not editable for the Plan Submitted Rollover transaction type.

A user with the MCO Representative Transmitter role can then review the status of the special batch file request through the View Special Batch File Request (M317) screen. A user with the MCO Representative Transmitter role can now submit a special batch file using the Request ID provided, using the| "Create Special File Request" tab. The Plan can now submit a POVER special batch file without waiting for CMS to approve the request. CMS will be notified by email that a special batch file has passed all validation edits and is ready for approval.

If the MARx system rejects a POVER file, the Batch Completion Status Summary (BCSS) will inform the file submitter that the same request ID can be used to resubmit the file once all the reasons for rejection are resolved. The corrected file can use the request ID of the original request. There is no need to request another request ID. Additionally, file submitters will be able to view system generated user messages on the Welcome (M101) screen and User Messages (M102) screen.