

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
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**Medicare Plan Payment Group**  
**Innovative Healthcare Delivery Systems Group**

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**DATE:** February 27, 2014  
**TO:** All Medicare Advantage, Prescription Drug Plan, Cost, PACE, and Demonstration Organizations Systems Staff

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**SUBJECT: Announcement of the May 2014 Software Release**

The Centers for Medicare and Medicaid Services (CMS) continues to implement software improvements to the enrollment and payment systems that support Medicare Advantage and Prescription Drug (MAPD) programs. This letter provides detailed information regarding the planned release of systems changes scheduled for May 2014. This release focuses on improving the efficiency of CMS systems as well as Plan processing.

The May 2014 Release changes are as follows and may require Plan action:

1. [Medicare Secondary Payer \(MSP\) Enhancement](#)
  2. [MARx User Interface Enhancements](#)
  3. [Timing of Annual Rollover/Termination](#)
  4. [Removal of a Rolled Over Enrollment for a Future Date](#)
  5. [Note regarding Display Full History on the MARx Eligibility Screen](#)
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1. [Medicare Secondary Payer \(MSP\) Enhancement](#)

Currently, some commercial insurers are reporting insurance that ends on the first of the month instead of reporting the last day of the previous month. For example, if an end date of January 1st is recorded in the database, a Plan receives a reduced payment for the month of January. With this update, the system will edit termination dates reported as the first of the month by recording them as the last day of the previous month, thus allowing correct payment to the Plans for the first month after the end of MSP.

## 2. **MARx User Interface Enhancements**

These changes will introduce new MARx UI screens displaying a beneficiary's current health status information and the history of audited and valid records, and enhance existing UI screens by adding data related to the risk adjustment factor (RAF) used to calculate the beneficiary's payment.

### Status Activity Screen:

The new Status Activity screen displays a beneficiary's current health status information, as well as current values for eligibility, uncovered months, low income subsidy, and state and county codes. ([See Appendix A, Figure 1](#))

This enhancement to the MARx UI will consolidate and display all special status information onto one screen, the Status Activity screen. The following special status categories will display on the screen:

- SSA State and County Codes
- Low Income Subsidy
- Number of Uncovered Months
- Health Status Flags (ESRD, MSP, etc...)
- Eligibility Status Flags (Part A, Part B, and Part D)

If a beneficiary has a history of a special status, a "View" hyperlink will be displayed in the history column for that special status. When the user selects the hyperlink, the user can view the special status history on the Status Detail screen. ([See Appendix A, Figure 2](#))

### Status Detail:

The new Status Detail screen displays data specific to each of the special statuses (e.g., ESRD, MSP, etc.) and, if applicable, the data records/periods that are valid and audited. The most common data values populated on the Status Detail screen are:

- Status Start and End Date
- Valid/Audit Record
- Record Add Timestamp
- Record Update Timestamp
- Record Audit Timestamp

### Valid and Audited Records:

Prior to this enhancement, special status audited information was not available in the MARx UI. This enhancement will allow users to select the “View Audit” link to view the audited information history for most of the statuses. ([See Appendix A, Figure 3](#))

### Payment/Adjustment Detail Screen:

The Payment/Adjustment Detail screen is being enhanced to display the risk adjustment factor used in determining the beneficiary’s payment. This information will be displayed and hidden at the user’s discretion. CMS added the risk adjustment factor and risk adjustment factor types to existing payment history lines on the MARx Payment/Adjustment Detail screen. ([See Appendix A, Figures 4 and 5](#))

### Navigating to the Risk Adjustment Factor:

A chevron (>>) will appear next to each row of data on the Payment/Adjustment Detail screen where a risk adjustment factor is used to calculate a payment or an adjustment amount. When a user selects the chevron, a drop down display of the risk adjustment factor appears. The RAF data values populated to the Payment/Adjustment Detail Screen are:

- Risk Adjustment Factor Type
- Risk Adjustment Factor Class
- Risk Adjustment Factor used for Part A payment calculation
- Risk Adjustment Factor used for Part B payment calculation
- Risk Adjustment Factor used for Part D payment calculation
- Part C Frailty Factor used in the payment calculation
- Risk Adjustment Factor Start and End date

### **3. Timing of Annual Rollover/Termination**

The End-of-Year (EOY) rollover and termination process is currently run every year in December to roll over Plan enrollments per an approved Health Plan Management System (HPMS) crosswalk and/or terminate enrollments in non-renewing Plans. This update will change the timing of the EOY rollovers and terminations process so that it will occur in early November rather than in December. The specific date in November will depend on CMS’ production schedule. More details about this change will be provided in the CMS EOY HPMS memo that is typically issued in September of each year.

### **4. Removal of a Rolled Over Enrollment for a Future Date**

Currently, if a beneficiary is rolled over into a new Plan pursuant to an approved HPMS crosswalk, and the beneficiary subsequently cancels their current enrollment, the roll-over enrollment is not cancelled because the roll-over enrollment is a CMS-generated enrollment. The roll-over enrollment currently is cancelled using the retro-processing contractor.

This release will give the current Plan or 1-800-Medicare the ability to remove the future rollover enrollment when the Plan or 1-800 receives a disenrollment request from the beneficiary to disenroll from their current Plan. This release will also allow the rollover enrollment Plan or

1-800-Medicare the ability to remove the beneficiary from the rollover Plan prior to the start of the rollover enrollment.

If the beneficiary is disenrolling from the current Plan after the beneficiary has been rolled over into the new Plan (note that the enrollment in the new Plan is not effective at this point), the current Plan will use a Disenrollment transaction (TC 51) and 1-800-Medicare will use a Disenrollment transaction (TC54) to disenroll the beneficiary from their current Plan. When the beneficiary's disenrollment from the original enrollment is processed, the CMS system will automatically remove the rollover enrollment into the new Plan. The current Plan will receive a Transaction Reply Code (TRC) of 013 (Disenrollment accepted as submitted). The Plan associated with the rollover enrollment receives a reply with the TRC 015 (Enrollment Removed). The removed enrollment is also assigned a new Disenrollment Reason Code (DRC) 50. Below is the information that will display in the Plan Communications User Guide.

### Disenrollment Reason Code

Disenrollment Reason Number	Disenrollment Reason Description	MARx UI	AUTO-DIS	PLAN SUB'D
50	ROLLED OVER ENROLLMENT REMOVED/AUDITED	N/A	Y	N/A

This release also enables the Plan associated with the rollover enrollment or 1-800-Medicare to use a Disenrollment Transaction (TC 51 or TC 54) to remove that enrollment before it starts. When the disenrollment transaction is used to remove the rollover enrollment, the Plan receives TRC 015 (Enrollment Removed). The DRC assigned to this removed enrollment will be the DRC submitted by the Plan or 1-800-Medicare. Plans are limited to using the disenrollment transaction to only remove enrollments into their Plan that resulted from a rollover.

On the MARx UI, when the Plan or 1-800-Medicare moves the end date of the current enrollment to an earlier date, the Plan will be required to change the DRC from 18 "ROLLOVER" to another valid disenrollment reason.

If the Plan or 1-800-Medicare receives an enrollment removal request that is not outlined in this memo, they should continue using the Enrollment Cancellation transaction (TC 80) to remove the enrollment prior to the enrollment effective date as otherwise outlined in guidance.

### 5. Note regarding Display Full History on the MARx Eligibility Screen

CMS is postponing the implementation of MAPD 2687 - Display full history on the MARx Eligibility screen (M232) due to the complexity of the proposed changes. MAPD 2687 is tentatively scheduled for the August 2014 release.

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](mailto:mapdhelp@cms.hhs.gov).

# Appendix A

## Figure 1: Status Activity Screen

Claim #: [REDACTED] **ACTIVE** **DOB** Age: 86 Sex: FEMALE State: IA (16) County: WINNESHIK (950)

Snapshot | Enrollment | Status | Payments | Adjustments | Premiums | SSA - RRB | PW Paid/Collected | History | Transactions | Factors | Utilization | MSA | Medicaid | Residence Address | Rx Insurance | Jurisdiction | Status Activity

Status Activity (M256) User: [REDACTED] Role: [REDACTED] Date: [REDACTED] [Close](#) [Print](#) [Help...](#) [Change User View](#)

*View* hyperlink is only displayed when more information is available.  
Information on the screen represents the beneficiary's status as of today's date.

SSA State and County Codes			
State	County	History	
IA (16)	WINNESHIK (950)	<a href="#">View</a>	

Health Status Flags			
Active	Type	History	
Y	ESRD	<a href="#">View</a>	
Y	MSP	<a href="#">View</a>	
N	NHC		
Y	HHC	<a href="#">View</a>	
N	Medicaid		
N	Hospice	<a href="#">View</a>	
Y	HCBS	<a href="#">View</a>	
N	XREF		
N	Institutional		
N	Long Term Institutional		
Y	Disabled	<a href="#">View</a>	

Eligibility Status Flags			
Active	Type	History	
Y	Part A	<a href="#">View</a>	
Y	Part B	<a href="#">View</a>	
Y	Part D	<a href="#">View</a>	
N	Employer Subsidy	<a href="#">View</a>	
Y	Opt-Out Part D		
N	Opt-Out MMP		

Low Income Subsidy				
Subsidy Start	Subsidy End	LI Premium Subsidy Level	LI Co-payment Level	History
07/01/2012		50%		<a href="#">View</a>

Uncovered Months	
Months	History
25	<a href="#">View</a>

## Figure 2: Status Detail Screen (Valid Records)

Claim # [REDACTED] **ACTIVE** **DOB** Age: 86 Sex: FEMALE State: IA (16) County: WINNESHIK (950)

Status Detail: SSA State and County Codes (M257) User: [REDACTED] Role: [REDACTED] Date: [REDACTED] [Close](#) [Print](#) [Help...](#)

SSA State and County Codes [View Audit](#)

Status Period Start Date	Status Period End Date	State	County	Valid/Audit	Record Add Timestamp	Record Update Timestamp	Record Audit Timestamp
07/01/2013				V	07/01/2013 00:00:00	07/01/2013 00:00:00	
07/01/2012	06/30/2013			V	07/01/2012 00:00:00	07/01/2012 00:00:00	

## Figure 3: Status Detail Screen (Audited Records)

Claim #: [REDACTED] **ACTIVE** **DOB** Age: 86 Sex: FEMALE State: IA (16) County: WINNESHIK (950)

Status Detail: SSA State and County Codes (M257) User: [REDACTED] Role: [REDACTED] Date: [REDACTED] [Close](#) [Print](#) [Help...](#)

SSA State and County Codes [Hide Audit](#)

Status Period Start Date	Status Period End Date	State	County	Valid/Audit	Record Add Timestamp	Record Update Timestamp	Record Audit Timestamp
07/01/2013				V	07/01/2013 00:00:00	07/01/2013 00:00:00	
07/01/2012	06/30/2013			A	07/01/2012 00:00:00	07/01/2012 00:00:00	07/01/2012 00:00:00
07/01/2012	06/30/2013			A	07/01/2013 00:00:00	07/01/2013 00:00:00	07/01/2013 00:00:00
07/01/2012	06/30/2013			V	07/01/2012 00:00:00	07/01/2012 00:00:00	

