

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850



Medicare Plan Payment Group
Enterprise Systems Solutions Group

DATE: February 29, 2016

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

FROM: Cheri Rice /s/
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Director, Enterprise Systems Solutions Group

SUBJECT: **Announcement of the May 2016 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 2016. This release focuses on improving the efficiency of CMS systems as well as Plan processing.

The May 2016 Release changes are as follows and may require Plan action:

Medicare Advantage and Prescription Drug System (MARx) Reset Changes

A Number of Uncovered Months (NUNCMO) reset can be submitted for a beneficiary only in special circumstances. There have been instances where Plans have submitted NUNCMO reset “R” indicator for beneficiaries who do not meet the specific requirements for a reset transaction. If a Plan wants to set or change a beneficiary’s uncovered months to 0 (zero), the Plan should use a Creditable Coverage Flag = Y and ‘0’ in the NUNCMO field; the Plan should not use ‘R’.

This caused incorrect data and impacted beneficiaries’ Late Enrollment Penalty (LEP) amounts.

As of the May 2016 release, Plans will no longer be allowed to submit NUNCMO transactions with a Creditable Coverage Flag of ‘R’ (Reset) or ‘U’ (Undo). On the MARx UI Update Premium screen (M226), Plan users will no longer have the option to choose an Indicator value of ‘R’ or ‘U’. If a Plan sees the need to submit an ‘R’ or ‘U,’ please call the MAPD Help Desk for assistance.

If an enrollment or NUNCMO change transaction is submitted with a Creditable Coverage Flag of 'R' or 'U,' it will be rejected with Transaction Reply Code (TRC) 126 (Enrollment/Change Rejected; Invalid Cred Cvrq Flag). The description of TRC 126 has been updated in the Plan Communication User Guide to reflect this change:

Code	Type	Title	Short Definition	Description
126	R	Enrollment/Change Rejected; Invalid Cred Cvrq Flag	BAD CRED COV FL	<p>An enrollment or NUNCMO change transaction (Transaction Types 61, 73) was rejected because the Creditable Coverage Flag field was not correctly populated.</p> <p>For Transaction Type 61, the valid values for the Creditable Coverage Flag are Y, N, and blank.</p> <p>For Transaction Type 73, the valid values for the Creditable Coverage Flag are Y and N.</p> <p>Creditable Coverage Flag values of R and U are not available as valid values for plan submission.</p> <p>Plan Action: Correct the Creditable Coverage Flag value and resubmit the transaction if appropriate. Verify that the Creditable Coverage Flag and NUNCMO combination is valid.</p>

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.