



**MEDICARE PLAN PAYMENT GROUP**

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**DATE:** November 7, 2008

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

**FROM:** Thomas E. Hutchinson  
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Medicare Plan Payment Group

**SUBJECT: Advance Announcement of Spring 2009 Software Release**

The Centers for Medicare and Medicaid Services (CMS) is continuing to implement software improvements to the enrollment and payment systems that support the Medicare Advantage and Prescription Drug programs (MAPD). This letter provides advance information regarding the planned release of systems changes scheduled for spring 2009. This release focuses on improving the efficiency of our systems and consequently, most changes are limited to our internal operations. However, there are some improvements that will affect Plan processing and these changes are listed below. CMS plans to provide the detailed information that Plans will require for implementation, in early January 2009.

**Transaction Reply Codes for Low Income Subsidy Status**

Currently, there are several files sent to plans that report Low Income Status (LIS) data. This change will result in LIS status, premium, and cost sharing levels communicated in a clear, accurate, and timely manner to Part D plans on the Transaction Reply Report (TRR). It will include data so that plans can transact immediately off the data provided without referencing numerous other Transaction Reply Codes (TRC) or reports. Updates will be made to several existing fields within current TRCs. An existing field will also be re-purposed to convey the end date of a low income eligibility period. Details will be provided at a later date in our follow up communication.

**Part D Enrollment Status Reported on the Monthly Membership Report (MMR)**

The MMR will be populated with the Beneficiary's Part D enrollment status for the current payment month. Currently we plan to use a Y/N switch where 'Y' equals Part D enrollment status in the current payment month, and 'N' represents no Part D enrollment status in the current payment month. If a beneficiary is enrolled in both a plan that offers only health benefits (such as a cost plan or Private fee for service plan), and is also enrolled in a Part D plan, the MMR will reflect a "Y" in this field in both Part C and Part D records.

**Updates/Clarification to Plan Change Transaction (Code 72) Processing**

Currently plans submit code 72 transactions to update or change 4Rx Fields, NUNCMO, Premium Withhold Option, Plan Premium Amounts, EGHP Flag, Part D Opt Out Flag, or Segment Changes.

These transactions are treated as three different categories in the MARx system; 4Rx, NUNCOM and other. This categorization causes the rejection of some 72 transactions when more than one category is included on the same submission. CMS will be clarifying these code 72 updates to ensure accurate processing. This may mean the addition of an identifier to the code 72 or new transaction codes and functions. We plan on using the existing file format and length.

**MSP Survey Results Submitted Directly to MARx**

CMS will be automating the submission of the annual plan reported MSP survey results. Currently plans submit their results on a CD to CMS by mail, then the data must be manually loaded into the CMS systems. This is a cumbersome process that often results in file formatting errors and other problems. An electronic file submission process sent directly to MARx will improve the accuracy and timeliness of this reporting. Submission details, including file format will be forthcoming.

We appreciate your continued support of the MAPD programs.