

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
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**CENTER FOR DRUG AND HEALTH PLAN CHOICE**

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**DATE:** November 13, 2008

**TO:** All Medicare Advantage Organizations, PDP Sponsors and Cost plans

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**SUBJECT:** Ongoing Enrollment and Report Reconciliation, Corrections and Retroactivity

As the third year of operations for the Medicare Advantage (MA) and Medicare Prescription Drug programs comes to a close, CMS would like to extend our appreciation to our partner organizations for the improvements made in the timeliness and accuracy of enrollment and disenrollment systems activity.

While we have achieved a great deal of progress, we remain concerned about continuing problems with timely enrollment reconciliation at the organization level. These problems generate beneficiary complaints, plan and CMS Regional Office casework and eventually increase the need for retroactivity and manual enrollment corrections. Thus, the purpose of this memo is to summarize CMS' expectations regarding each organization's responsibilities to reconcile its data with CMS data to ensure enrollment activity has been successful, records are accurate, payments are correct, and ultimately that beneficiary elections are effectuated in a timely way so that they get the services they deserve. We are also re-emphasizing our expectations regarding requests for retroactive enrollment or disenrollment corrections from organizations. Lastly, we provide some "best practice" tips and reminders that organizations may find useful as they work to improve their enrollment and report reconciliation processes.

CMS expects that all organizations are submitting batch files for enrollment and disenrollment activity at least 4 (four) times in each operating month (not less than one submission per week). However, CMS strongly encourages all organizations to submit such files on as close to a daily basis as possible, thus providing the maximum amount of time to reconcile errors within the operating month. Timely identification of errors that can be corrected and resubmitted directly will reduce the need for retroactivity and will ensure expedient and accurate plan payment. Attachment A to this memo provides a high-level overview of the minimum activity each

organization should have in place to reconcile MARx batch submissions and plan enrollment records.

As part of the cycle of batch submission, plan reconciliation and CMS payment, each MA and Part D organization must provide a monthly attestation regarding the accuracy of the enrollment information, for payment purposes, within 45 days of the availability of the CMS Monthly Membership Reports (MMR). This timeframe provides organizations with ample opportunity to carefully review CMS Transaction Reply Reports (TRR), the MMR and all other pertinent information to identify any discrepancies and to take appropriate steps to correct (or request correction for) all outstanding data or information issues. We expect that all organizations have in place robust, ongoing data and report reconciliation processes that support the required attestation of enrollment information related to plan payment, and that these processes result in the timely identification of discrepancies. As a reminder, the 45-day timeframe represents an outer limit, not the ultimate goal and CMS encourages all organizations to review and reconcile enrollment information as expeditiously as possible.

Some corrections will require CMS intervention. Examples of “routine” retroactive actions that must be developed for submission to IntegriGuard include:

- Correction/reinstatement for auto-disenrollment due to erroneous loss of A/B (section 50.2.2 of the PDP Guidance and section 60.3.1 of the MA Chapter 2 Guidance);
- Correction/reinstatement for auto-disenrollment due to an erroneous Date of Death (same guidance references as the loss of Part A/B);
- Reinstatement due to mistaken disenrollment made by the member (section 50.2.2 of the PDP Guidance and section 60.3.2 of the MA Chapter 2 Guidance);
- Required retroactivity in association with CMS auto-enrollment for full-benefit dual eligible individuals requirements (section 30.1.4.C.1 of the PDP Guidance and section 40.1.5 of the MA enrollment guidance); and
- Valid retroactive disenrollment for EGHP plan members as specifically permitted in CMS enrollment guidance (section 50.5 of the PDP Guidance and section 60.6 of the MA Chapter 2 Guidance).

Additionally, organization submission errors or CMS systems errors that are identified timely (i.e., within the 45-day limit), but are beyond the Current Payment Month cut-off date, and thus cannot be re-submitted directly, must be developed for submission to IntegriGuard. Instructions for submitting authorized retroactive enrollment and disenrollment requests are provided on the IntegriGuard website. Go to: [www.integriguard.org](http://www.integriguard.org) then click on “tools.”

By using the information and processes provided by CMS to validate and reconcile plan membership records at every step, organizations should encounter fewer instances where enrollment retroactivity is outside the 45-day reconciliation/attestation period. Requests for retroactive enrollment and disenrollment activity outside of the “routine” activities described above are generally not permitted unless there is a documented MARx issue, spanning several months, which prevented timely processing. Such situations must be reported expeditiously to both your Regional Office Account Manager and your Division of Payment Operations (DPO) representative. CMS may request additional information and may require a corrective action

plan, or potentially other enforcement actions, depending on the severity of the deficiency that led to the need for retroactivity outside of the established parameters.

Finally, it is critical that organizations ensure that the enrollee's coverage in the plan begins as of the effective date of enrollment in the plan, consistent with the detailed procedures described in the CMS enrollment guidance cited above. Organizations may not delay enrollment or otherwise withhold benefits while waiting for successful (i.e. accepted) transactions to/from MARx.

We hope this information is helpful in strengthening the vital processes of review and reconciliation. If you have questions about this information, please contact your DPO representative for assistance. Technical systems questions may also be directed to the CMS MMA Helpdesk.

## Attachment A: Basic Summary of Organization Action Steps to Reconcile Enrollment and Disenrollment

Activity	Data Source(s)	Plan Action
Enrollment Request Received	BEQ or on-line eligibility query	<ul style="list-style-type: none"> <li>• Confirm Medicare entitlement</li> <li>• Confirm data accuracy (i.e., HICN, DOB)</li> <li>• Obtain other information such as LIS level</li> </ul>
Organization submits enrollment/disenrollment transaction <u>within 7 calendar days of receipt</u> of request (see CMS Enrollment guidance for details)	BCSS	<ul style="list-style-type: none"> <li>• Review BCSS to confirm submitted transactions processed;</li> <li>• Review rejected and failed transactions for errors</li> <li>• Re-submit immediately for errors that can be corrected such as data entry errors, incorrect values submitted, or other plan errors</li> </ul>
	Weekly TRR	<ul style="list-style-type: none"> <li>• Review thoroughly</li> <li>• Pay close attention to anything rejected or failed and take appropriate steps to correct</li> <li>• Re-submit</li> <li>• Review received actions including auto and facilitated enrollment (for PDP), auto disenrollments, record changes, etc.</li> <li>• Take appropriate actions in organization systems to react to received actions</li> <li>• Generate appropriate notifications/materials</li> </ul>
Organizational Internal Monitoring	All available sources and organizational data	<ul style="list-style-type: none"> <li>• Monitor automated processes to ensure accuracy and quality</li> <li>• Compare what “should” have been submitted to what actually was, as well as the outcome</li> <li>• Monitor activity to look for anomalies such as spikes or trends to identify systemic issues early. Report these to your AM.</li> </ul>
Errors the organization cannot correct directly include: <ul style="list-style-type: none"> <li>• Erroneous Date of Death</li> <li>• Erroneous Loss of Part A/B</li> <li>• Erroneous State and County Code</li> <li>• Timely submitted transaction rejected for organization error and cut-off date has passed</li> </ul>	All CMS reports and organization data	Develop for submission to Integriguard as soon as they are identified by your review of all reports, and not later than within 45 days of the availability of the monthly reports.

## Attachment A: Basic Summary of Organization Action Steps to Reconcile Enrollment and Disenrollment

### **“Best Practice” Tips and Reminders for ongoing membership reconciliation**

#### **These action steps are only a summary.**

Develop, implement and maintain thorough membership review, internal data quality initiatives and reconciliation activities. Use this summary only as a starting point to create and internalize this important work into your ongoing operations.

#### **Use the BEQ (or the online eligibility query) every time.**

This is not only a requirement, but it will help ensure accurate data and thus reduce transaction rejection for data inaccuracies. If you use a contractor for enrollment, use of that company’s version of “BEQ” is fine. It’s your responsibility to ensure your contractors are getting the job done.

#### **Review the Batch Completion Summary Status Report (BCSS).**

In particular, look for failed or rejected items to begin review for correction ASAP. Early detection provides more time for direct re-submission within the operating month. Of course the weekly/monthly TRR and other reports must be reviewed as well, but use of the BCSS will likely provide additional days to fix errors. Review early and review often! Also compare what you believe to have been submitted to what actually was submitted to identify inadvertent omissions from your submission. Look for internal problems and training opportunities to fix problems.

#### **Educate staff on plan enrollment periods.**

The law requires a valid enrollment period to enroll in/disenroll from a plan. Organizations must be able to identify and report the correct enrollment period. Review the CMS enrollment guidance carefully and develop training for all concerned staff. This is a determination you must make BEFORE submitting a transaction to MARx.

#### **Reconcile at every step.**

Ongoing membership reconciliation by every organization is necessary. Activities such as “yearly clean-ups” are not acceptable practices.

#### **Don’t wait to ask for help.**

If something is wrong, waiting to seek assistance is not the answer. Ongoing review and reconciliation of enrollment data should ensure timely identification of errors or issues. Re-submit corrections whenever possible and report larger or internal systemic issues to your Account Manager

#### **Proofread your Submissions to IntegriGuard.**

Generally, timely plan reconciliation and action will reduce the need to submit enrollment and disenrollment actions for manual entry. When you do need to submit something to IntegriGuard, make sure you are including all the documentation and information that is necessary.

#### **Review the Disposition Reports received from IntegriGuard.**

Following IntegriGuard’s review and action on your requests for retroactivity and status changes, they will provide you a disposition report. Use this report to identify your submittal and documentation errors upon receipt. The IntegriGuard process is an opportunity to receive an external review of your enrollment/disenrollment processes to assist in quality improvements. Report any issues to your Account Manager as soon as possible.