

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



CENTER FOR DRUG AND HEALTH PLAN CHOICE

DATE: February 24, 2009

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

FROM: Thomas Hutchinson, Director, Medicare Plan Payment Group

SUBJECT: Instructions for Submitting Retroactive Enrollment and Disenrollment Activity

As an attachment to this memo, CMS is providing updated instructions to organizations and sponsors for the submission of retroactive enrollment and disenrollment activity, including an updated Standard Operating Procedure (SOP) for submissions to the CMS Retroactive Processing Contractor, Reed & Associates/IntegriGuard. Please begin using the processes and procedures provided in these instructions as of March 16, 2009.

Thank you.

Plan Instructions for Retroactive Enrollment and Disenrollment Processing

These instructions clarify the process for Medicare Advantage (MA) and Prescription Drug Plan (PDP) organizations to submit retroactive enrollment and disenrollment requests to CMS (or the Retroactive Processing Contractor working as CMS' designee).

In general, retroactive enrollment is not accepted for Cost-based plans, per the guidance provided in Chapter 17-D of the Medicare Managed Care Manual. For the limited exceptions provided in that guidance, as well as for enrollment in a Cost-based Plan Benefit Package (PBP) that includes an optional supplemental Part D benefit, Cost-based plans must follow the instructions provided here regarding requests for retroactivity.

As part of the normal batch enrollment and disenrollment submission process, plan reconciliation and CMS payment, each organization must provide to CMS a monthly attestation regarding the accuracy of two categories of enrollment information: 1) the data the Organization has reported to CMS in a given month and 2) the data contained in CMS' Transaction Reply Reports (TRR), and Monthly Membership Report (MMR). CMS requires that organizations submit this information to CMS no later than 45 days from the date on which the MMR is available. This 45 day timeframe provides organizations with sufficient time to conduct a thorough review of the CMS TRR, MMR and all other pertinent information in order to identify any discrepancies and to take appropriate steps to correct (or request correction for) all outstanding data or information issues.

To comply with this requirement, CMS expects 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 and correction of discrepancies. Compliance with CMS submission timeframes for enrollment and disenrollment activity, as well as thorough review of the reports CMS provides in response to each submission should allow for the correction and direct re-submission of transactions that failed due to plan errors within the operating month. Careful adherence to these steps should accommodate the vast majority of corrections necessary.

However, an organization may encounter situations where enrollment/disenrollment actions require CMS assistance. When corrections are necessary, CMS has 3 distinct processes by which organizations will submit appropriate retroactive enrollment and disenrollment activity. Each of these processes correspond to 1 of the 3 categories of retroactivity (see **Section A; Submitting Retroactive Actions to CMS**). Categories 1 and 2 represent normal business processes that organizations may address through existing channels. To ensure that CMS Account Managers (AMs) are made aware of issues that their organizations may be experiencing, and are engaged in proactively addressing potential compliance concerns that may be indicated by scenarios in category 3 of Section A; organizations will be required to report to their AM all incidents that result in the need for enrollment or disenrollment actions that are older than 3 months before such requests may be submitted to CMS or the Retroactive Processing Contractor. The AM will review the situation and may provide approval for the organization to submit such actions to the CMS Retroactive Processing Contractor.

Procedures to address enrollment and disenrollment retroactive actions:

Organizations must have ongoing membership reconciliation processes that include data comparisons of organization information to all relevant CMS files and reports. Please refer to the November 13, 2008 HPMS memo “Ongoing Enrollment and Report Reconciliation, Corrections and Retroactivity” for additional information on this activity. Also, review Section A of these instructions carefully and provide training for all concerned organization staff, ensuring that internal policies and procedures reflect the importance of successful transaction submission and ongoing data reconciliation.

Following the directions in Section A, re-submit transactions that failed or rejected due to plan error within the processing month whenever possible. For the limited cases where direct re-submission is not possible, prepare submissions to the CMS Retroactive Processing Contractor (Reed & Associates/Integriguard).

When an issue cannot be submitted to the Retroactive Processing Contractor because it is outside the timeframe for directly requesting corrections, organizations must alert their Account Manager (AM) to the issue and obtain approval to request such corrections as they may indicate potential compliance concerns or other weaknesses in enrollment and reconciliation processing. The procedures to do this are:

- Contact the AM and work together to determine when and how issues identified should be brought to his or her attention.
- Prepare a detailed analysis of the issue identifying responsible areas/parties, current policies and procedures and changes that may be necessary, scope of the issue with exact numbers, beneficiary impact, and any other relevant information. AM’s are not expected to review case files or documentation, except at their own discretion; please do not submit that information unless requested.
- Prepare a description of how the issue has been addressed and how reoccurrences will be prevented.
- The AM will review the issue, and therefore the potential compliance or performance concern, and discuss with the organization the appropriate remedial steps and actions necessary to ensure future compliance and improved performance.
- Once approval is determined, the AM will provide an e-mail or letter to the organization contact with a copy to the CMS Retroactive Processing Contractor (Reed & Associates/IntegriGuard). The approval message will include a total count of actions to be processed (i.e. the total number of enrollments and/or disenrollments) by effective date to ensure what is subsequently submitted to the Retroactive Processing Contractor consists only of those actions approved by the AM for the specific issue.
- The organization will include a copy of the approval message with the cover sheet on the submission package to the Retroactive Processing Contractor. The Retroactive Processing Contractor will review the documentation the organization has been directed to include for all requests received and will enter the cases in MARx.
- If an organization submits category 3 retroactive requests to the CMS Retroactive Processing Contractor without the required AM approval, or, if the approval does not exactly match the submission, the entire submission will not be accepted. The entire submission/file that was

sent to the contractor will be immediately deleted or destroyed upon receipt, with a notification to the plan and the AM.

- Do not submit category 1 or 2 issues to the AM; follow the instructions in Section A for submission procedures.

The following sections provide guidance and procedures for identifying retroactive enrollment and disenrollment correction needs as well as instructions for the submission of requests for such corrections to the Retroactive Processing Contractor. Finally, an example scenario of a Category 3 issue is provided.

Section A - Submitting Retroactive Actions to CMS

Category	Action	Contact	Notes and Instructions
1	Standard Retroactive Actions <i>Limited to the following:</i>	MMA Help Desk	Obtain Ticket number for tracking. The plan must have exact transaction counts. CMS will contact the plan in response to the ticket regarding submission of a retroactive batch file, which will be subject to review. Requests must be submitted to the Help Desk by the 1 st business day of each month to be considered for processing in time for the next month's payment. However, CMS cannot guarantee processing prior to cut-off.
	<ul style="list-style-type: none"> Disenrollment from an employer/union sponsored plan 		Disenrollment from an employer/union sponsored plan may be retro up to 90 days per CMS enrollment policy. Do Not include older transactions
	<ul style="list-style-type: none"> Code 72: Change in Number of Uncovered Months for LEP 		As required per CMS CC/LEP guidance; no effective date limit
	<ul style="list-style-type: none"> Code 72 Retro correction to 4Rx 		As necessary to ensure data is correct; no effective date limit
	<ul style="list-style-type: none"> Documented systems failure issues 		Plans should notify their Account Manager and the MMA Help Desk immediately if they experience a systems failure. In the event of a documented systems issue, CMS can process retroactive batch files as necessary.
2	Retroactive Enrollment and Disenrollment (including "PBP Changes") with effective dates within 3 months, or those resulting from automatic actions taken by CMS systems that are identified and reported timely (definition below)	Retroactive Processing Contractor	Follow existing SOP and instructions for submitting requests and documentation to Retroactive Processing Contractor. Organization submission errors or CMS systems errors that are identified timely, but cannot be directly re-submitted to CMS in regular batch files must be developed for submission to the Retroactive Processing Contractor.
3	Retroactive Enrollment and Disenrollment (including "PBP Changes") with effective dates 4 months or older or not identified from TRR/MMR timely (definition below)	RO Account Manager; See section below for details	Generally, retroactive actions outside of the time frame for Plan reconciliation and the associated attestation (category 2) are not allowed and are therefore exceptions. See below for details. With RO AM approval, necessary actions may be submitted to the Retroactive Processing Contractor

Always re-submit failures and rejections within the processing month when possible. An action is retroactive if the plan is unable to submit it directly to CMS in regular batch files during the processing month, following existing guidance. See the definitions below for additional details.

Definitions:

Category 2: “Within 3 months” means:

- A. Enrollment (including PBP changes) and disenrollment actions with effective dates of the current calendar month and the 2 previous calendar months. For example, if today is any day in November, allowable retroactive effective dates are November 1, October 1 and September 1. Effective dates of August 1 or earlier are considered to be 4 months or older and therefore are category 3 (below). This includes transactions that failed or rejected due to plan error that could not be directly resubmitted by the plan within the processing month. This also includes corrections identified by the plan within the 45 day period that begins with the availability of the CMS Monthly Membership Report and ends on the attestation submission due date. For simplicity the 45 day period is rounded up to “the last 3 months” and included in this category.
- B. Enrollment and disenrollment actions with any effective date that are necessary due to automatic actions taken by CMS systems, that are reported to the Retroactive Processing Contractor within the 45 day period that begins with the availability of the CMS Monthly Membership Report and ends with the attestation submission due date. For simplicity, the 45 day review period is rounded up to “within 3 months” and included in this category. For example, a discrepancy identified by reconciliation with a CMS report received in March 2009 must be submitted within 3 months (in March, April or May 2009) as this timeframe coordinates with the required attestation timeframe.

Category 3: “4 Months or older” means:

- A. Enrollment (including PBP changes) and disenrollment actions that have an effective date of the current calendar month minus 3 months or greater, OR, actions reported by CMS to the plan via TRR/MMR more than 3 months ago. For example, if today is any day in November, effective dates of August 1 or earlier are 4 months or older and therefore are Category 3. Similarly, an action reported to the plan via TRR/MMR that was available to the plan in August or prior is also considered 4 months or older and thus is a Category 3 issue.
- B. Category 3 actions are generally not permitted and therefore are exceptions. All plans are expected to have ongoing data reconciliation processes that support the required monthly attestation of data accuracy for payment. Completing this important work on an ongoing basis should virtually eliminate the need for enrollment and disenrollment retroactivity that is 4 months or older. When a plan identifies discrepancies that are 4 months or older, the issue must be reported to the CMS Regional Office Account Manager (AM) before any CMS systems activity can be considered. Plans must contact their AM and provide the following information: (1) the exact count of discrepant cases, (2) the reason for the discrepancies (the “root cause”) and (3) the actions the plan has taken to resolve the issue that led to the previously unidentified discrepancy, what step will be taken to prevent a reoccurrence of the problem and (4) any other relevant information.

The AM may request additional information. Do not send copies of enrollment forms or other documentation to the AM unless requested. The AM may provide approval for submission of actions which are involved in the specific situation (limited to the exact number of cases reported). AM approval of the specific instance is limited to the specific situation and number of discrepant cases identified. It does not mean ongoing approval. The plan will then prepare the appropriate actions for submission to the Retroactive Processing Contractor following the existing procedures. The plan must include, as part of the submission, the approval document received from the AM (an email from the AM that provides the approval and the counts is acceptable documentation). The Retroactive Processing Contractor will not accept or process requests meeting the definition of “4 months or older” without the required AM approval; these will be deleted or destroyed by the contractor and the organization will be notified. The AM will monitor plans regarding identified issues; repeat requests for corrections resulting from the same issue may lead to additional steps to address the potential underlying compliance problem.

Examples:

	Example	Solution
1	Plan X submits a batch file on the “plan data due” date in February 2009, with effective dates of February 1. Due to an error at the plan, the header date on the file is incorrect. Now that the cut-off date has passed, the actions are retroactive.	Category 1 - The plan contacts the MMA Help Desk to obtain a trouble ticket number. CMS CO staff will contact the plan to address the issue and assist the plan to resubmit a corrected file.
2	On February 25, 2009 , Plan X reviews the MMR that was made available on February 20, 2009, and discovers 2 potential discrepancies. Plan X does research and concludes that 2 enrollment transactions it had submitted just before the “plan data due” date had rejected due to error.	Category 2 – The plan develops the case for submission to the Retroactive Processing Contractor including the appropriate documentation. It must be submitted within the 3 month timeframe specified for “Category 2” issues; for this example, this timeframe is February, March and April
3	Plan X discovers that 17 individuals for whom it submitted enrollment transactions with an enrollment effective date of October 1, 2008, are not on the February 20, 2009, MMR. The Plan researches and discovers that these 17 individuals have never been on an MMR since October. Researching further, the plan discovers that it had never submitted enrollment transactions to CMS, even though it looked like they had in their records.	Category 3 – The plan must contact their RO AM according to the schedule agreed upon to report the issue and provide a detailed analysis to the AM, including how it will ensure such issues are not repeated in the future. When the AM is satisfied that the plan understands the requirements and has addressed the issue, the AM may provide approval for CMS (or its designee) to process these transactions. The plan should then submit these 17 actions to the Retroactive Processing Contractor, with the required documentation and the AM approval for processing.
4	Today is November 10, 2008. The plan received an automatic disenrollment due to loss of Part A entitlement on the October 19, 2008 TRR. The effective date of the disenrollment was January 31 2008. The plan sent the beneficiary a disenrollment notice and subsequently learned that the loss of Part A was erroneous. Part A was restored in CMS systems in November 2008.	Category 2 – Because the plan’s reconciliation of the erroneous disenrollment received via TRR in October is within 3 months (i.e., it falls within the attestation reconciliation timeframe), it is appropriate to submit the request for correction directly to the Retroactive Processing Contractor, despite the effective date.
5	Today is November 10, 2008. The plan received an automatic disenrollment due to loss of Part A entitlement on a TRR it received in June 2008. The effective date of the disenrollment was March 2008. The plan sent the beneficiary a disenrollment notice, and received information from the beneficiary in June that the loss of Part A was erroneous. The plan did not act on this information until noticing that it had not received payment for this member on the most recent MMR.	Category 3 – The issue was identified on a CMS report received more than 3 months ago. The plan must develop the details and contact the RO AM, according to the schedule they have agreed to for the discussion of retroactive enrollment/disenrollment issues. The plan must obtain the AM’s written approval for submission of the cases to the Retroactive Processing Contractor.

Section B: Instructions for Submission to the Retroactive Processing Contractor (Reed & Associates/IntegriGuard)

Organizations and sponsors will submit their valid Category 2 and 3 requests for retroactive plan enrollment and/or disenrollment adjustments according to the chart in Section A of these instructions to the Retroactive Payment Validation Contractors, Reed & Associates/PayVal, Inc. and IntegriGuard, LLC (the Retroactive Processing Contractor). The Contractor will acknowledge receipt of such requests within 10 days of receipt via mail, e-mail or telephone. Valid requests for retroactive enrollment and disenrollment adjustments will be processed by the contractor within 45 days of receipt. After processing the adjustments, the Contractor will provide the organization with a report detailing the disposition of the requests including, when necessary, an explanation of reasons for not entering the change as requested into the system. When the action has been entered into CMS systems it will appear on the organization's Transaction Reply and Monthly Membership Reports. If the request cannot be processed for any reason, it will not be returned; however, the Contractor will provide a reply indicating why the submission, in whole or in part, could not be completed.

Submissions of retroactive enrollment and disenrollment requests must be sent via diskette or CD-ROM on an Excel Spreadsheet (see table 1 below for a sample). Supporting documentation for each request must be submitted in a PDF file on a CD-ROM or in paper format detailing the requested retroactive enrollment adjustments. Spreadsheet templates to submit retroactive adjustments are available in the **Retroactive Processing Contractor's toolkit**. To obtain the toolkit and other important information please go to www.reedassociates.org or www.integriguard.org/ on the web and register.

Enrollment (which includes an individual's request to switch from one PBP to another PBP within the same contract number) and disenrollment requests are not eligible for the PROBE Studies. Therefore, copies of supporting documentation as required in this SOP or as directed by CMS must be included with the submission for each enrollment and disenrollment action requested. Organizations must also retain a copy of the request and related documentation submitted to the Retroactive Processing Contractor as part of the enrollment/disenrollment record for each beneficiary.

Send complete submissions to: IntegriGuard, LLC MMC Enrollment Project
2121 North 117 Avenue, Suite 200
Omaha, Nebraska 68164

Documentation Requirements:

For each individual enrollment and/or disenrollment request the organization must include the information requested in the Submission Spreadsheet (see Table 1, below). In addition to these basic data elements, organizations must also include certain other documentation as described below.

For Category 2 Retroactivity:

Enrollment (including PBP changes):

1. A copy or record of the original enrollment request that clearly indicates the receipt date (as defined in the CMS Enrollment guidance applicable to the plan type)
2. An explanation of the need for the retroactive action
3. For MA ESRD issues, evidence that the individual is eligible to enroll per the MA enrollment guidance, Chapter 2 of the Medicare Managed Care Manual, section 20.2

4. For “reinstatement” due to erroneous data in CMS systems, copies of any correspondence to and from the beneficiary regarding the situation, including instruction from the plan advising the individual to continue to use plan services
5. For “reinstatement” due to mistaken disenrollment, a copy of organization’s notice to the beneficiary informing him or her to continue to use plan services and a copy of the individual’s request for reinstatement.

Disenrollment:

1. A copy of the disenrollment request that clearly indicates the receipt date (as defined by the CMS enrollment guidance applicable to the plan type)
2. An explanation of the need for the retroactive action.

For Category 3 Retroactivity:

Enrollment (including PBP changes):

1. A copy or record of the enrollment request (unless specifically waived by the AM in the approval document)
2. A copy of the RO AM approval
3. Any other documentation required by the AM.

Disenrollment:

1. A copy of the disenrollment request (unless specifically waived by the AM in the approval document)
2. A copy of the RO AM approval
3. Any other documentation required by the AM.

Special Note about Regional Office Casework Actions

When any organization is directed by CMS, such as by RO Casework, to submit a retroactive enrollment or disenrollment request to resolve a complaint, the organization must provide as documentation: (1) a screen print from the Complaint Tracking Module (CTM) showing the RO’s direction, and (2) a copy of the enrollment or disenrollment request, if one is available. Due to the nature of casework, a copy of the request may not be available and when that is the case include a brief explanation for the missing documentation.

Retroactive Processing Contractor Review and Action

If the requested changes are accepted, an enrollment/disenrollment action will be made retroactively to the appropriate effective date, and payment adjustments will be made accordingly.

To follow up on specific previously submitted adjustment requests, a letter of inquiry must be sent separately from other adjustment requests. The letter must be sent to the Retroactive Processing Contractor’s Client Services Department. It should clearly state in the subject line that it is a follow-up to request(s) previously submitted. The letter must include the claim number of the individual, the contract number, the PBP number (if appropriate), the period involved and the date the original adjustment(s) was submitted. The organization must **never submit duplicate information** unless the Retroactive Processing Contractor specifically requests that duplicate information be submitted. Inquiries on previously submitted requests can be made in writing or via phone at: 402-498-2400.

Contractor’s Client Services’ Contact Information: IntegriGuard, LLC
 MMC Enrollment Project
 ATTN: Client Services Department
 2121 North 117 Avenue, Suite 200
 Omaha, Nebraska 68164

Please note: All written inquires that includes Protected Health Information (PHI) must be sent to the Contractor via traceable mail courier.

Retroactive Processing Contractor Submission Spreadsheet Template (Table 1):

M+CO Name:					Contact Name:					
Mailing Address:					Phone #:					
City, State, Zip:					E-mail Address:					
Retro Enrollment										
H#	Plan Type	HIC	PBP	Segment	Last Name	First Name	Election Period	Start Date	End Date	Application date
								mm/dd/ yyyy	mm/dd/ yyyy	

Section C: Example of a Category 3 Scenario:

Plan X contacts their AM, Mary Smith, via e-mail on February 17, 2009, to report 56 enrollments, 26 that have an effective date of September 1, 2008, and 30 that have an effective date of October 1, 2008. Plan X explains to Mary that the plan’s systems have shown these individuals as active members as of the correct effective date but that the system also incorrectly indicated that transactions had been submitted to MARx, when they actually had not.

Mary asks Plan X why they had not noticed the missing membership (and payment) on their Monthly Membership Reports (MMR). Plan X explains that the automated processing of the MMR done in-house had a glitch that failed to identify these missing lines. Plan X tells Mary that they have installed a fix for this systems glitch, and that they have also manually reviewed the MMR reports affected during this time. This review revealed the 56 enrollment cases. Plan X confirms that they did otherwise process the enrollments timely and correctly, and each of the 56 affected individuals did receive and enrollment acknowledgement notice, an ID card and membership materials. Mary asks Plan X to provide a synopsis in writing (e-mail) to her describing the issue and the resolution as they just discussed. To ensure that the fix to the automated processing was successful, Plan X will compare a manual review with the systems output over the next 2 reporting periods, as well as do this sort of comparison periodically going forward to ensure things are going as expected in the future.

Mary is satisfied that Plan X has correctly identified the underlying issue and has taken appropriate steps to address it going forward. Mary approves Plan X to submit the 56 cases to Reed & Associates/IntegriGuard for processing and sends Plan X an e-mail with this approval (including the exact number of cases: “56 enrollments; 26 effective September 1, 2008 and 30 effective October 1, 2008”). Plan X prepares the submission file for the Retroactive Processing Contractor, following the Standard Operating Procedures, and includes the approval with the cover note.