



MEDICARE PLAN PAYMENT GROUP

DATE: February 23, 2009

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

FROM: Thomas Hutchinson /s/
Director

SUBJECT: Medicare Advantage Prescription Drug System (MARx) March 2009 Payment – INFORMATION

This letter provides information related to the March 2009 payment scheduled for February 27, 2009.

Cost Plan Rate Changes Not Updated

Some cost plans were scheduled to receive updates to their payments based on new rates effective for January and February 2009 in the February payment. The new rates were used for payment of the newly enrolled members, while the existing members continued to be paid at the old rate. This error is being corrected and the resulting payment adjustments will be contained in the April 2009 payment.

Date of Death Adjustment Codes

A software fix to generate the correct adjustment reason code of 01 for retroactive dates of death was implemented in the March payment cycle. Previously, plans were erroneously receiving a code of 03 (retroactive disenrollment) for these types of adjustments.

MSP Survey Due Dates

The due dates for the MSP survey results will be the same for 2009 as they were for 2008. If plans wish to have a preview of their MSP factor, they must submit by July 15th. The final due date for 2009 is September 15th. Plans that submit by the later date will not have a preview of their MSP factor.

Please note that plans must submit data for 2 subsets of the enrollees on the March 2009 MMR;

- Members that report ANOTHER insurer is PRIMARY to Medicare and
- Members that fail to respond to the survey.

NOTE: DO NOT submit your members that report Medicare is PRIMARY. The only exception to this rule is if the plan is correcting a previously submitted transaction that erroneously reported the member as MSP or Nonrespondent.

If you have any questions about the information in this letter please feel free to contact your DPO representative per the attached list. Thank you.

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