

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Center for Drug and Health Plan Choice  
7500 Security Boulevard, Mail Stop S2-22-25  
Baltimore, Maryland 21244-1850



**MEDICARE PLAN PAYMENT GROUP**

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**DATE:** March 29, 2010

**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) April 2010 Payment – INFORMATION**

This letter provides information regarding the April 2010 payment scheduled for receipt on April 1, 2010.

Quarterly Medicaid Update

The quarterly update of the default risk adjustment factors for Medicaid status was included in the April payment. The transaction reply reports will contain transaction type 30 and reply code 077 for impacted members. The adjustments will appear on the Monthly Membership Reports (MMRs) with adjustment reason code (ARC) 10.

Low Income Subsidy (LIS) Cleanup

A cleanup to re-align the LIS payments with the LIS percentages was performed on a very small subset of beneficiaries nationwide. The adjustments will appear on the MMR under ARC 31.

Please contact the appropriate Division of Payment Operations (DPO) representative (listing attached) with questions about the information in this letter or assistance with other payment or premium related issues. Thank you.

**DIVISION OF PAYMENT OPERATIONS (DPO)  
REGIONAL ASSIGNMENTS – last updated January 2010**

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