

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
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## Center for Medicare

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**TO:** All Medicare Advantage, Prescription Drug Plan, Cost, PACE, and Demonstration Organizations Systems Staff

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**SUBJECT: Advanced Announcement of the MARx System Redesign & Modernization Software Release**

The Centers for Medicare and Medicaid Services (CMS) will be implementing enhancements to the Medicare Advantage Prescription Drug System (MARx) system supporting the Medicare Advantage and Prescription Drug (MAPD) programs. This letter provides advanced information regarding the planned release of systems changes related to the redesign and modernization of MARx currently scheduled for implementation in **April 2011**. CMS intends to provide detailed information in the fall of 2010 that Plans will require for implementation in April 2011. The changes for this release are listed below and may require plan action.

The primary goals of the MARx system Redesign & Modernization project are to de-couple the enrollment processing module from the payment calculation module, simplify and improve the underlying data structure to increase efficiency and accommodate anticipated growth as well as enhance plan user capabilities.

The project will align the system processes to the MAPD business cycle to better meet customer and CMS needs, provide a more flexible system able to respond to evolving programmatic needs and support more effective integration with CMS partner agency systems. It will also improve the transaction success rate by relating the transaction submission cycle to the calendar month based enrollment periods in which beneficiaries make plan elections.

Additionally, the redesign will provide more timely responses in the form of daily Transaction Reply Reports to ensure plans have all the information necessary to serve beneficiaries efficiently.

## **Enrollment Processing**

Several changes will be implemented for MARx enrollment transaction processing. They are summarized below:

### **1. Combine the four different enrollment transactions (TC 60, 61, 62 &71) currently in use into one transaction type.**

All current enrollment transaction types will be combined into a single transaction type code 61 which will eliminate the need for the transaction type codes 60, 62 and 71. The design of the single enrollment transaction type code 61 will accommodate the existing functionality of the other types currently in use.

For example, the employer group health plan (EGHP) flag value, currently required on the various enrollment transaction types, will be repurposed to inform MARx that the single enrollment transaction should be edited against the effective date parameters currently included on the type 60 transaction. This will ensure that the additional, limited retroactive functionality of the current code 60 transaction type is still available using the single enrollment transaction. Similar logic will ensure the other transaction type's functionality is maintained.

### **2. Calendar-Month Transaction Submission Schedule**

By de-coupling enrollment processing from payment calculation we will enable enrollment processing to align with the calendar-month cycle of plan enrollment periods. This alignment will provide greater flexibility and accommodate the various timeframes enrollment processing may encounter. Examples of these timeframes include the periods provided in CMS enrollment guidance for the completion of incomplete enrollment requests and the process to confirm beneficiary intent when the record indicates that the beneficiary is also being claimed under the Retiree Drug Subsidy program (the TRC 127 process). The Current Payment Month (CPM) cycle will continue to exist to facilitate payment calculation and monthly report generation.

The calendar-month schedule for transaction submission will permit plan submitted enrollment (TC 61) and disenrollment (TC 51) transactions within a 5-month window based on the current calendar month from 1-month prior through 3 months prospective .

For example, on any day in the month of May, the effective date on a plan submitted transaction may be April 1<sup>st</sup> through August 1<sup>st</sup>.

This structure ensures that MARx can accept transactions in accordance with the various timeframes allowed for processing in CMS guidance and eliminates the need for the current TC 62 enrollment transaction. The functionality of the current code 71 "PBP enrollment" transaction, as well as the additional 2 months of retroactivity currently accomplished via the use of the TC 60, will be included in the logic and functionality of the new single enrollment transaction.

An additional enhancement will be logic that permits the direct submission of a disenrollment transaction (TC 51) with the 2 additional months of retroactivity for employer group plan disenrollment, as permitted in CMS enrollment guidance.

The table below summarizes the calendar-month processing cycle effective date options and provides a cross-walk of the various current TC functionality to the new single enrollment transaction parameters.

Current TC Code	Functionality	New TC Code	Timeframe
61	New Enrollment; different contract	61	Current month – 1 through current month + 3
71	New Enrollment; same contract	61	Current month – 1 through current month + 3 Functionality is included in the TC 61 logic TC 71 becomes obsolete
62	1 month additional retroactivity for non-EGHP enrollment	61	Timeframe functionality is included in the TC 61 TC 62 becomes obsolete
60	Additional retroactivity for EGHP enrollment	61	Use of the EGHP flag will extend the timeframe to current month – 3 through current month + 3. TC 60 becomes obsolete
51	Disenrollment	51	Current month – 1 through current month + 3. The EGHP flag on the CMS enrollment record will extend the timeframe allowed on the TC 51 disenrollment transaction to: the current month – 3 through current month + 3.

### 3. Create new enrollment and disenrollment cancellation transactions

Currently, MARx does not provide a dedicated mechanism to effectively cancel an enrollment or disenrollment transaction previously submitted by the same organization. However, CMS enrollment guidance permits beneficiary cancellation under certain circumstances. CMS has allowed, where possible, plans to submit an “opposite” transaction to mimic cancellation, such as submitting a disenrollment transaction with the same effective date as a previously submitted enrollment transaction. This process often requires manual intervention to correct. The new cancellation transactions will be unique transaction types specifically designed to accomplish cancellation. These are TC 80; enrollment cancellation, and TC 81, disenrollment cancellation. The record layout and format will be built upon the existing transaction format.

The new cancellation transactions will ensure that a beneficiary’s choice to cancel an election are processed and recorded appropriately. Additional functionality associated with the plan-submitted cancellation transactions to automatically restore the beneficiary’s enrollment in a prior plan (when the disenrollment from that prior plan was due only to the enrollment action that is now being canceled, or when canceling a disenrollment) is in development.

## **Number of Uncovered Months**

### **1. Report the Number of Uncovered Months (NUNCMO) and Late Enrollment Penalty (LEP) changes to all impacted plans for period of coverage**

MARx will provide NUNCMO and LEP related communications (via TRCs) to all affected Plans in which the beneficiary was previously enrolled, regardless of beneficiary enrollment dates and regardless of withhold option.

### **2. Automatic Reset of the Number of Uncovered Months upon another Initial Enrollment Period (IEP) for Part D**

MARx will automatically reset the number of uncovered months (NUNCMO) to zero, as of the start date of the Part D IEP associated with the attainment of age 65, when an already entitled beneficiary attains age 65 and therefore has another Part D IEP. This automation eliminates the need for plans to submit a transaction code 73 to reset the NUNCMO for this reason.

## **Payment**

### **1. Enrollment processing will complete independent of payment calculation**

Payment calculation failures, sometimes seen as TRC 165 rejection responses, will no longer prevent the enrollment of a beneficiary in a Plan. Currently, if the processing of an enrollment transaction encounters an error at any point, including during the payment calculation function, the entire transaction fails or rejects and the enrollment is not recorded. Providing for enrollment processing to complete independently from the payment calculation function reduces the likelihood of transaction rejections and allows the beneficiary premium function to execute.

## **Reporting**

### **1. Daily Transaction Reply Reports**

The Transaction Reply Report (TRR) data file format and frequency will improve transaction and notification responses. Following the MARx redesign software release, the TRR data file will be transmitted daily in reply to any action that initiates or impacts an enrollment, including plan submitted activity and CMS generated notification activity. It will communicate changes affecting a beneficiary throughout all enrollment periods.

In addition to improved responsiveness, the TRR will return input transactions verbatim to the Plan. Therefore, Plans will have the data they submitted readily at hand when receiving and reviewing transaction replies to enhance one-to-one reconciliation of submissions and responses. We will also add a beneficiary information snapshot for any record that has had changes on that day to provide a single complete picture. MARx will also ensure that all plans impacted by a change in data receive TRC notifications for future, current or past membership as appropriate.

The distribution of the Batch Completion Status Summary (BCSS) will continue with some modifications. It will incorporate data from the Status File as well as failed records and provide counts that link back to the individual batch submission. Detailed records that are accepted or rejected will no longer be available on the BCSS as these will display on the daily TRR.

## **User Interface (UI)**

### **On-line updates by the Plan users**

A new Plan User Update Role will be added to the MARx Common UI. The UI will allow a very limited number of Plan users with the Plan Update Role to perform the following actions:

- Limited retroactive enrollment
- Residence address changes (see residence address described below)
- Update to add/correct elements of 4Rx, NUNCMO, and Part D Opt Out
- Cancellation of previously accepted, Plan submitted, enrollment/disenrollment actions (for the same organization), within the parameters of allowed cancellation actions.

The update capability is strictly limited in both scope and number of users. Information that can be submitted by batch transaction will continue to be processed by that mechanism; the update capability will not replace the batch process.

### **Plan Reported Residence Address Change (via Batch Submission)**

We are developing a new transaction type code (TC 76) to accept plan-submitted beneficiary residence address information.

Currently, when information in CMS systems regarding beneficiary address (including the State and County Code (SCC)) is inaccurate, Plans can submit information to the Retroactive Processing Contractor (RPC), who will override the SCC. The MARx system will introduce new functionality to allow Plans to submit a complete residence address via batch transactions and the Plan Update User Interface. The Plan submitted residence address information will be used by MARx as the default value for the SCC for the duration of enrollment in that plan's contract and PBP (unless subsequently changed by the plan).

## **MARx R&M Implementation Timeframe**

CMS has scheduled April 2011 as the target for the implementation of this project. More detailed information will be provided in a CMS software release memorandum that will contain record specifications and layouts as well as more descriptive information regarding these changes, currently targeted for distribution in the fall of 2010.

Please direct questions or concerns to the MAPD Help Desk at 1-800-927-8069 or email at [mapdhelp@cms.hhs.gov](mailto:mapdhelp@cms.hhs.gov) or email the R&M Project Team at: [R\\_M\\_Projects@cms.hhs.gov](mailto:R_M_Projects@cms.hhs.gov).