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CENTER FOR MEDICARE
OFFICE OF INFORMATION TECHNOLOGY

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TO: All Medicare Advantage Organizations, Prescription Drug Plan Sponsors, Cost Plans, and Program of All-Inclusive Care for the Elderly Organizations

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SUBJECT: End-of-Year 2026 Enrollment and Payment Systems Processing Information

Memorandum Summary

This End-of-Year (EOY) memorandum provides information to support plans in their EOY efforts regarding:

1. Medicare Advantage Prescription Drug (MARx) System Transaction Processing;
2. Rollover and Terminating Plan MARx Transaction Processing; and
3. Plan Reports, System Access, and Availability.

The EOY enrollment and payment systems processing activities are critical operations that require adherence to specific activities in defined time frames to assure successful transition to calendar year (CY) 2027.

This memorandum informs all Medicare Advantage (MA) Organizations, Prescription Drug Plan (PDP) Sponsors, Cost Plans, and Program of All-Inclusive Care for the Elderly (PACE) Organizations (collectively referred to as “plans” unless otherwise specified) about the EOY processing activities and the transition to CY 2027. The dates and information included in this memorandum are final.

The items outlined in this memorandum regarding the 2026 EOY processing schedule and activities for the transition to CY 2027 are categorized into three (3) major areas:

1. Medicare Advantage Prescription Drug (MARx) System Transaction Processing

- A. Plan Enrollment and Disenrollment Transaction Submission Schedule
- B. Submitting Enrollment (Transaction Code 61) and Disenrollment (Transaction Code 51) Transactions with January 1, 2027, Effective Dates
 - (1) Enrollment and Disenrollment Transaction Submission Schedule
 - (2) Retroactive Payment Adjustments
- C. Premium Processing
 - (1) Part C Premium Processing (Transaction Code 78)
 - (2) Premium Payment Option (PPO) Processing (Transaction Code 75)
 - (3) Automatic Assignment of Segment IDs in MARx
- D. Submissions of 2027 4Rx Data and Updates to Payer Sheets for 2027
- E. Payment Processing for Plans Non-Renewing for 2027
 - (1) Final Settlement

2. Rollover and Terminating Plan MARx Transaction Processing

- A. CMS Generated Rollover (Enrollment) and Termination (Disenrollment) Actions
- B. Plan Submitted Rollover (Enrollment) and Termination (Disenrollment) Actions
 - (1) Plan Submitted Rollover (Enrollment) Actions
 - (2) Plan Submitted Service Area Reduction (Disenrollment) Actions
 - (3) Plan Review of Rollover and/or Termination Actions
 - (4) Submitting January Effective Disenrollments After Rollover

3. Plan Reports, Systems Access, and Availability

- A. October PDP Notification Files for Reassignment and for Auto/Facilitated Enrollment
- B. Loss of Low-Income Subsidy (LIS) Data Files
- C. Monthly Payment Reports
- D. Access to the MARx System and Reports for Plans Non-Renewing in 2027
- E. Access to the Health Plan Management System (HPMS)
- F. MARx System User Interface (UI) Availability

1. Medicare Advantage Prescription Drug (MARx) System Transaction Processing

A. Plan Enrollment and Disenrollment Transaction Submission Schedule

Date	Item
September 18, 2026	The <i>End-of-Year (EOY) Anticipated Beneficiary Movement Report</i> , distributed annually in September, provides plans with a summary of projected beneficiary enrollment outcomes based on data submitted during the bid process. Plans are encouraged to use this report as a verification tool to reconcile beneficiary records and identify necessary actions, such as timely submission of residence address updates or plan submitted rollover (POVER) transactions, prior to the start of the CMS rollover process.
October 2, 2026	October plan data due for November payment. This date allows time for EOY transition activity and preparations for the start of the AEP on October 15, 2026.
October 4, 2026	Plans can begin submitting 2027 enrollment effective dates.
October 4, 2026	Plans approved for renewal or crosswalk exceptions must begin to submit CMS required EOY activity MARx transactions by this date (See section 2.B). This includes the submission of plan submitted rollovers (POVERs).
October 9, 2026 5:00PM EDT	Plans identified as a CY2026 D-SNP look-alike with a transition plan and crosswalk exception approved by CMS and required to submit a POVER, the POVER transaction must be submitted AND accepted by this date and time.
October 15, 2026	Annual Enrollment Period (AEP) begins.
October 23, 2026 5:00PM EDT	POVERs and disenrollments for service area reduction transactions must be submitted AND accepted by this date and time.
October 24-25, 2026	CMS conducts reassignment runs.
October 30, 2026	Plans will receive Special Transaction Reply Reports (STRR) and other reports containing reassignment activity and reassignment letters sent to beneficiaries.
November 1-2, 2026	CMS conducts CMS generated rollover and termination processing. MARx User Interface (UI) will be in read-only mode. During the MARx UI “Read-Only” timeframe, all transactions, including the Batch Completion Status Summary report (BCSS), Daily Transaction Reply Reports (DTRR) and the Coordination of Benefits-Other Health Insurance (COB-OHI) files will be held.
November 3-7, 2026	Plans can expect to begin receiving the DTRR and COB-OHI files from the CMS starting November 3, 2026. Daily Transaction Reply Reports sent November 3-7, 2026, will contain CMS rollover and termination data along with plan transactions received and processed on these dates. CMS will also send Part D plan COB-OHI files November 3-7, 2026.

Date	Item
November 6, 2026	November plan data due for December Payment.
November 7-11, 2026	Due to EOY processing, CMS will place all batch files MARx receives after November 6, 2026, into a holding status. CMS will hold these files until the 2027 payment and premium configuration tasks are complete. This means MARx UI will be in “read-only” mode. Plans will not receive BCSS reports, DTRRs or COB-OHI files during this time.
November 12, 2026	Plans can expect to begin receiving the BCSS, DTRR and COB-OHI files with transactions <u>held</u> between November 7 th -11 th . CMS will begin processing the files in the order received beginning on or about November 12, 2026.
December 4, 2026	December plan data due for January Payment.
December 7, 2026	AEP ends.
January 8, 2027	January plan data due date. The CY 2027 MARx Plan Monthly Schedule is available at https://www.cms.gov/Research-Statistics-Data-and-Systems/CMS-Information-Technology/mapdhelpdesk/MAPD-MARx-Calendars-and-Schedules.html . Plans should submit transactions early and frequently to meet the seven (7) calendar day submission requirement per CMS’ enrollment guidance. Plans must <u>promptly</u> reconcile all submissions and responses.

B. Submitting Enrollment (Transaction Code 61) and Disenrollment (Transaction Code 51) Transactions with January 1, 2027 Effective Dates

(1) Enrollment and Disenrollment Transaction Submission Schedule¹

Requests Received October 1-3, 2026 for January 2027 effective dates must be held until October 4th

Plans must process valid requests for enrollment received from October 1-3, 2026; however, plans must hold and not submit the MARx transactions until on or after October 4, 2026. Please use the correct values for the election type code (election period identifier) and the application date field. (Note: CMS counts these enrollment transactions as timely if they are submitted October 4-10th 2026, using a 7-day calendar count that begins on October 4, 2026).

¹ Plan enrollment and disenrollment transactions must be processed in accordance with CMS enrollment guidance for each specific plan type. For additional information, plans should review CMS enrollment policy guidance applicable to their plan type.

If a plan submits these enrollment transactions (for a contract number or the Plan Benefit Package (PBP)) before October 4, 2026, the transactions will either:

- FAIL: Plan receives Transaction Reply Code (TRC) 003 ("INVALID CONTRACT NUMBER"), or
- REJECT: Plan receives TRC 107 ("REJECTED; INVALID OR MISSING PLAN BENEFIT PACKAGE (PBP) NUMBER")

If you receive these rejections, then you submitted the transactions too early. At this time, you can re-submit your previously rejected transactions.

Plans must submit these transactions using the appropriate application date, according to CMS guidance. Plans may not manipulate the application date or other information on the transaction to inappropriately ensure enrollment in their plan or defeat otherwise appropriate systems rejections.

Plans do not have to split batch files by effective date year. Plans may submit multiple valid enrollment transactions with varying effective dates in the same MARx submission file. Per custom, plans may submit transactions for multiple contract numbers in one file. Plans should submit their files often and consider submitting smaller batches to allow for timely system processing.

Unsolicited AEP Requests Received Prior to October 15, 2026

Plans that receive unsolicited paper AEP enrollment requests before the start of the AEP must submit the enrollments into MARx **on or after** October 15, 2026. **Plans must use October 15, 2026 as the application date and the AEP Election Type Code (value =A) on these transactions.** Refer to the Medicare Advantage and Part D Enrollment and Disenrollment Guidance for information about "unsolicited AEP" enrollment requests.

(2) Retroactive Payment Adjustments

Organizations/sponsors that need to submit retroactive enrollment or disenrollment transactions, and State and County Code (SCC) changes that can cause a retroactive payment adjustment after non-renewal/termination should submit corrected information to the Retroactive Processing Contractor (RPC) within 45 days from the date of its last MARx monthly payment reports. The requested corrections will be verified for accuracy and then applied to the plan's member records if deemed accurate. Plans should continue working directly with RPC to validate and correct unverified submissions. Payment adjustments calculated based on information updated by the RPC will be included in the plan's final settlement payment.

C. Premium Processing

(1) Part C Premium Processing (Transaction Code 78)

The MARx system will automatically populate beneficiary records with the 2027 premium amount for a plan benefit package (i.e., any premiums for basic and mandatory supplemental

benefits from the Health Plan Management System (HPMS)) to reduce the number of Part C Premium Change transactions (TC 78) processed for existing enrollments at year's end. MARx will perform this update for **all existing** enrollees, including **enrollees impacted by plan rollovers** via the HPMS Crosswalk.

Therefore, plans should not submit Part C Premium Change transactions for existing enrollments, **unless an enrollee has elected optional supplemental benefits for Part C**. For enrollees who elect optional supplemental benefits with 2027 effective dates, Part C plans are required to submit Part C Premium Change transactions (TC 78) with the correct Part C premium amounts (i.e., any premiums for basic and/or mandatory supplemental benefits, plus premiums for optional supplemental benefits). The 2027 payment/premium configurations will be processed between November 8 and November 11, 2026. The TC78 transactions can be submitted to MARx between November 9 – December 4, 2026. **Plans must not submit these transactions before November 9, 2026.** If a plan misses the December 4, 2026, plan data due date, MARx will accept and process plan submitted Part C Premium Changes (TC 78, effective January 1, 2027), until the plan data due date of February 5, 2027.

No Premiums Due

For enrollees inadvertently put into a “No Premium Due” status, the “No Premium Due Data File” should be available during the second full week of November. Plans should wait until then before submitting transactions for those enrollees.

If the Part C premium amount is composed only of elected optional supplemental benefits, and no Part D premium is due, plans should also review the “No Premium Due Data File” to identify enrollees who may have been changed to a “No Premium Due” status.

End of Year Premium and Premium Payment Option Processing for CMS generated Rollovers

CMS generated rollover and termination actions will be processed on November 1 and 2, 2026. During this time, CMS will move members (or “rollover” membership) between PBPs where necessary and, in some circumstances, between contract numbers as specified in the HPMS Crosswalk.

The 2027 CMS generated rollover process is executed prior to the 2027 Payment/Premium data being loaded into the MARx databases. Therefore, premiums will be calculated after the premium information from HPMS is received and loaded to MARx on November 9, 2026.

In these cases, plans should assess the beneficiary's Part C premium amount and the premium payment option. If a change is needed, the plan should submit a Part C Premium Change (TC 78), and/or a Premium Payment Option Change (TC 75) transaction for 2027 as soon as possible.

(2) Premium Payment Option (PPO) Processing (Transaction Code 75)

CMS must submit new premium withholding requests to either the Social Security Administration (SSA) or Railroad Retirement Board (RRB) for confirmation before taking effect on January 1, 2027.

Plan PPO changes submitted to MARx after December 4, 2026, will be set to “direct bill” for January 2027. The plan will be notified of this via the DTRR, with a TRC 144 – “PREMIUM PAYMENT OPTION CHANGED TO DIRECT BILL”.

(3) Automatic Assignment of Segment IDs in MARx

CMS automates the assignment of Segment IDs for segmented MA organizations. Each State and County Code (SCC) in a plan’s service area may only belong to one segment. This enables MARx to automate the assignment of Segment IDs according to the residence SCC of the beneficiary. If a plan does not provide a Segment ID, MARx uses the residence SCC to select the appropriate Segment ID. This assigned Segment ID is returned in the DTRR.

The segment assignment process includes service area expansions. If a plan expands the service area of a PBP, MARx will detect this change. If applicable, MARx will move impacted beneficiaries from a default segment to a segment that now contains the SCCs of their addresses and plans will receive TRC 317 – “SEGMENT ID REASSIGNED AFTER ADDRESS UPDATE”.

If, for the upcoming plan year, the segments of a plan have been redefined, either because segments have been renumbered or SCCs have been mapped to different segments, MARx will automatically generate Segment Change Transactions (Transaction Type 77) to maintain impacted beneficiaries in the appropriate plan segments for the new year. If a segment terminates at the end of year, MARx will also automatically move impacted beneficiaries to any of the remaining active segments according to their residence SCC.

Additionally, CMS may change a beneficiary’s Segment ID when notified that the beneficiary’s address has changed. The newly derived SCC is used to assign the new Segment ID. This activity generates a TRC 317 – “SEGMENT ID REASSIGNED AFTER ADDRESS UPDATE”. If the new address places the beneficiary out of area for the contract, the beneficiary is assigned the default Segment ID.

CMS continues to permit plans to submit Segment IDs as they do now. If the beneficiary is not out of area, MARx uses the submitted Segment ID instead of the system-derived one. As stated above, if a beneficiary is flagged as out of area for the plan, the MARx system automatically assigns a default Segment ID. This occurs even if the plan submits a Segment ID on the enrollment transaction. When the beneficiary is assigned to a default Segment ID, the plan receives TRC 316 – “DEFAULT SEGMENT ID ASSIGNMENT”. The default segment will be the segment with the lowest premium.

If premium withholding is requested on the enrollment transaction or the premium payment option transaction for a beneficiary assigned to a default Segment ID, it will be considered as

having an out of area status, and the beneficiary's Premium Payment Option automatically changes to "Direct Bill." This will generate TRC-393 ("PPO CHANGED TO DIRECT BILL; OUT OF AREA"). However, if a beneficiary with established withholding moves out of area, CMS will report the default Segment ID assignment to SSA/RRB but leave the withholding status unchanged.

D. Submission of 2027 4Rx Data and Updates to Payer Sheets for 2027

CMS Generated Enrollments: Plans must submit the 4Rx data for CMS generated enrollments within 72 hours of the plans' receipt of the DTRR or STRR reporting these enrollments. The Plan Communications User Guide (PCUG) provides detailed information for sponsors to follow in submitting 4Rx data to CMS.

CMS has scheduled the processing of the 2027 CMS generated enrollment transactions to make sure 4Rx data is available timely. CMS will continue to monitor and report the effectiveness of these processes through performance metrics based on pharmacy complaints as well as the completeness and timeliness of a sponsor's 4Rx submissions.

Reassigned Enrollees: PDPs will get a STRR on November 1, 2026, reporting reassignment transactions. For these transactions, sponsors must submit the 4Rx data within 72 hours of receipt of the STRR. This will make sure 4Rx data for the CMS-reassigned beneficiaries will be available to support pharmacy E1 queries within 96 hours of the sponsor's receipt of the STRR.

4Rx Data Changes: CMS also reminds PDPs to submit updated 4Rx data for all beneficiaries whose 4Rx data is changing for any reason (for example, when a PDP changes its pharmacy benefits manager (PBM)). Sponsors are required to submit the beneficiary's new 4Rx data to CMS using Transaction Code 72 if there will be a change in any of the 4Rx data elements (RxBIN, RxPCN, RxGROUP, or RxID). Under these conditions, a Transaction Code 72 change transaction must be submitted even in those situations in which the CMS contract and PBP numbers remain the same.

4Rx Data Not Changing: It is not necessary to submit a Transaction Code 72 4Rx Data Change transaction if the beneficiary's enrollment information (that is, contract number and PBP number) and all the 4Rx data elements remain the same for CY 2027 as they were in CY 2026.

Payer Sheets: Along with updating members' 4Rx data as required, PDPs should remember to update their payer sheets to reflect any billing changes associated with their 2027 Part D benefits, including changes in plan names, BIN/PCNs, or any other relevant billing information. PDPs should send updated payer sheet changes to all contracted pharmacies as soon as possible.

E. Payment Processing for Plans Non-Renewing for 2027

(1) Final Settlement

CMS's final settlement process lasts for a minimum of 18 months after the end of the calendar year in which the contract ended with CMS. As part of the final settlement process, it is important for plans to understand that all applicable reconciliations must process before CMS

will officially calculate, disburse, or collect any final settlement payment. Therefore, no payment disbursements or collections will occur between any reconciliation. For contracts ending in 2026, these reconciliation processes include:

- 1) 2026 Final Risk Adjustment reconciliation;
- 2) 2026 Part D annual reconciliation;
- 3) 2026 Manufacturer Discount Program reconciliation; and
- 4) 2026 Medical Loss Ratio remittance.

Plans can expect to get a final settlement package from CMS after July 2028 explaining whether the plans will receive or owe CMS a settlement payment. In part of delivering the final settlement package to the organizations/sponsors, CMS will include all the Monthly Membership Reports (MMRs) created from the time the contract ended until the month the final settlement was processed. These reports will include details for retroactive payment adjustments that accumulated after the contract ended.

However, it is important to note that plans that fail to comply with their remaining data submission requirements may delay the receipt of their final settlement payment. Email questions regarding the final settlement process to James.Krall@cms.hhs.gov.

2. Rollover and Terminating Plan MARx Transaction Processing

There are two types of rollover (enrollment) and termination (disenrollment) actions in MARx:

- (A) CMS generated actions
- (B) Plan submitted actions

Only those plans with approved HPMS crosswalk exceptions that require plan submitted actions may submit such actions and must adhere to the instructions and timeframes provided in this guidance.

The *End-of-Year (EOY) Anticipated Beneficiary Movement Report* is an informational resource distributed to plans annually in September. This resource accounts for plan-submitted data during the bid process and provides a snapshot of beneficiary enrollment status at the time of report generation. This report details beneficiary projected enrollment outcomes focusing on end of year CMS-generated activities such as rollovers, enrollment terminations, and service area reductions if no action is taken by plans before the **October 23, 2026, 5:00 PM EDT** deadline.

Plans are encouraged to use this report as a verification tool to reconcile beneficiary records and identify necessary actions, such as timely submission of residence address updates or plan-submitted rollover (POVER) transactions, prior to the start of the CMS rollover process. Additionally, plans can self-identify potential issues to prevent negative impacts to beneficiaries, such as monitoring enrollments of beneficiaries with Low-Income Subsidy (LIS) for Medicare Part D to avoid unintended plan changes via the CMS Reassignment process.

Plans should be advised that this report will not be sent to plans whose contract action are still “pending” CMS approval or in a status of “not approved” by the time this report is generated.

A. CMS Generated Rollover (Enrollment) and Termination (Disenrollment) Actions

CMS generated rollover and termination actions will be processed on November 1 and 2, 2026. During this time, CMS will move members (or “rollover” membership) between PBPs and contract numbers as specified in the HPMS Crosswalk. CMS will disenroll all remaining members of terminating PBPs and contract level Service Area Reductions (SARs) effective January 1, 2027.

MARx will be moving beneficiaries based on the SCC of the beneficiary’s residence address. If the beneficiary does not have a residence address, then MARx will move the beneficiary based on the SSA address. **CMS strongly encourages plans to review and update the beneficiary’s address prior to the beginning of the CMS submitted rollover process.** If the plan receives a residence address rejection, the plan should resubmit the request. If the residence address submission rejects a second time, please report the issue to the MAPD Help Desk and submit a SCC change to the RPC if the beneficiary’s SCC is changing.

NOTE: The beneficiary’s SCC must match BOTH the ‘losing’ plan’s service area AND the gaining plan’s service area for CMS to move the beneficiary, if not, the beneficiary will be disenrolled.

The CMS generated rollover and termination process can accommodate the following scenarios:

- All enrollees in a 2026 PBP with no segments moving to a 2027 PBP with no segments.

Example 1: Plan A PBP 001 has Howard, Calvert, and Cecil Counties and the rollover request includes Howard, Calvert, and Cecil Counties to be moved to Plan A PBP 009.

- All enrollees in a 2026 PBP/segment moving into a 2027 PBP/segment.

Example 2: Plan A PBP 001/001 has Howard, Calvert, and Cecil Counties and the rollover request includes Howard, Calvert, and Cecil Counties into Plan B PBP 001/001.

- All enrollees in a 2026 PBP/segment rolling over to multiple 2027 PBPs/segments, as long as each 2026 service area is moving to a single other 2027 PBP/segment and that service area is not overlapping with another 2027 PBP/segment.

Example 3: Plan A PBP 001/001 has Prince Georges, Frederick, and Anne Arundel Counties and the rollover request for Prince Georges and Frederick Counties into Plan A PBP 001/005 and Anne Arundel County into Plan A PBP 001/007.

- All enrollees in a 2026 PBP with no segments rolling over to multiple 2027 PBPs or PBP/segments, as long as each 2026 service area is moving to a single other 2027 PBP/segment and that service area is not overlapping with another 2027 PBP/segment.

Example 4: Plan A PBP 001 has Prince Georges, Frederick, and Anne Arundel Counties and the rollover request for Prince Georges and Frederick Counties into Plan A PBP 003 and Anne Arundel County into Plan A PBP 006.

- All enrollees in a 2026 contract approved for a contract level SAR that have a SCC within the service area being reduced.

Example 5: If Plan A serves Anne Arundel County in 2026 and will no longer cover Anne Arundel County in 2027 in any of the plans' service area.

The transactions created by CMS generated rollovers and terminations will appear on the normal November 3, 2026, DTRR. CMS generated rollover enrollment transactions will have a response of TRC 100 "PBP CHANGE ACCEPTED AS SUBMITTED" or TRC 011 "ENROLLMENT ACCEPTED AS SUBMITTED" or TRC 016 "ENROLLMENT ACCEPTED, OUT OF AREA", with an effective date of January 1, 2027, and the value "D" in field 37 (the Enrollment Source Code).

CMS generated disenrollment transactions will have a response of TRC 018 "AUTOMATIC DISENROLLMENT" on a Transaction Code 51 disenrollment transaction and an effective date of January 1, 2027.

Plans that are non-renewing their entire contract as of December 31, 2026, as well as plans that are renewing their contracts but terminating an entire PBP (or multiple PBPs), as of December 31, 2026, do **not** need to submit MARx disenrollment transactions (TC 51) to complete the disenrollment effective December 31, 2026. Affected beneficiaries do not need to request disenrollment.

However, plans must submit transactions for members who request disenrollment for an effective date **prior** to the non-renewal/termination date of December 31, 2026. For example, if a valid request for a disenrollment is received with an effective date of December 1, 2026, plans must submit a TC 51 disenrollment transaction to report that disenrollment. If the beneficiary requests a disenrollment prior to the December 31, 2026 termination date and the beneficiary has already been rolled over to a new 2027 plan by CMS, when the plan submits the TC 51 disenrollment transaction, MARx will automatically remove the 2027 plan enrollment. If a 2026 plan is terminating entirely in 2027, they must complete these actions while the plan still has access to CMS systems.

Plan initiated enrollment transaction with 11/1/26 or 12/1/26 effective dates that are submitted after CMS annual rollover (11/1-2/26) will receive TRCs indicating that the beneficiary is enrolled in the requested plan (with the requested effective date) AND an enrollment into the cross-walked plan with an effective January 1, 2027. This includes plans that are rolling over at the end of CY2026 as well as plans that are reducing their service area in CY2027. CMS will automatically generate the enrollment into the 2027 plan per the plan's approved crosswalk. However, if the plan has a crosswalk exception, the plan will need to submit a **POVER** to move the beneficiary to the CY2027 plan. These enrollments will appear on the normal DTRR. It is

critical that plans review the applicable DTRR promptly to make sure the appropriate enrollment into the 2027 plan and PBP occurs.

If the beneficiary is placed into the incorrect 2027 PBP, the plan may submit a TC 61 transaction to correct the PBP. When submitting a corrected transaction, the plan will need to use the same application date and Election Type Code = X for the same Contract, but different PBP. The plan should also report the issue to the MAPD Help desk.

Plans should access the Plan Crosswalk Report in HPMS (HPMS > Plan Bids > Bid Reports > CY 2027 > All Reports > Plan Crosswalk Report) to see approved CY2027 crosswalk exceptions where CMS will process the rollover. See more information on the crosswalk report in section 2.B below. the “Approved Crosswalk Exception column” says “Yes (passed in RIC AK)” Plans **do not** have to take any action.

B. Plan Submitted Rollover (Enrollment) and Termination (Disenrollment) Actions

The accuracy and timeliness of the plan submitted rollover and termination activity is critically important. Plans that have received CMS approval for crosswalk exceptions that require plan submitted rollover activity, must submit MARx enrollment transactions **starting October 4th and no later than October 23, 2026, by 5:00 p.m. EDT.**

Plans identified as CY 2026 D-SNP look-alikes with a transition plan and crosswalk exception approved by CMS, and which are required to submit a POVER, must submit their POVER transactions **no later than October 9, 2026, 5:00 p.m. EDT.** D-SNP look-alikes moving 100% of their membership to a new plan do not need to submit a POVER transaction.

If a plan received approval from CMS for a CY 2027 crosswalk exception, it should be aware of which crosswalk scenarios CMS will process, and which scenarios will require plan-submitted MARx transactions to accomplish the actions. Only certain, limited renewal scenarios and certain limited SAR scenarios will require plan submitted actions. To see which approved CY 2027 crosswalk exceptions require a Plan Submitted Rollover (POVER), plans should access the Plan Crosswalk Report in HPMS (HPMS > Plan Bids > Bid Reports > CY 2027 > All Reports > Plan Crosswalk Report). Plans will need to click on the 2027 plan identification number in the chart. If the “Approved Crosswalk Exception column” says “Yes (passed in RIC AK)” plans **do not** have to take any action. If the “Approved Crosswalk Exception” column says, “Yes **not** passed in RIC AK - Plan action required”, the plan **WILL NEED** to submit a POVER. Plans should also review the scenarios mentioned in section 2.A. above. Plans that received approval will see a second crosswalk chart with the approved MARx enrollment transaction exceptions.

CMS will monitor plans with CMS approved crosswalk exceptions that require enrollment or disenrollment activity. Failure to comply with all the requirements below, and any other CMS direction for this activity, will be referred to CMS Account Management for review.

(1) Plan Submitted Rollover (Enrollment) Actions

A plan-submitted rollover (POVER enrollment) MARx transaction is only allowed in the case of a CMS approved crosswalk exception scenario that requires this activity. When trying to determine if you need a POVER, if any of your scenarios match any of the statements below you **must** submit a POVER.

You have submitted a crosswalk exception that has been approved by CMS, **and** one of the following;

- a. You have a 2026 PBP that is rolling over into multiple PBPs and one or more service areas are overlapping in multiple 2027 PBPs.

Example 1: Plan A PBP 001 has Anne Arundel County, Frederick County, and Queens County and the CMS automatic rollover moves Anne Arundel County and Frederick County to Plan A PBP 002. However, Queens County will be included in multiple PBPs 003 and 004. Plan A will need to submit a POVER to move the beneficiaries into PBP 003 and 004.

- b. You are a Dual Eligible Special Needs Plan (D-SNP) look-alike, and you are moving beneficiaries with full-benefit dually eligible status to one (1) PBP and your partial-benefit dually eligible or non-dually eligible beneficiaries to another PBP.

Example 2: A D-SNP look-alike is moving full-benefit dually eligible beneficiaries into Plan A PBP 002 and moving partial-benefit dually eligible or non-dually eligible beneficiaries into Plan A PBP 003. The D-SNP look-alike (that is going away for CY 2027) will need to submit a POVER to move the beneficiaries into PBPs 002 and 003.

- c. You have a D-SNP that has a change in populations that requires the full-benefit dual eligible members to be in a separate PBP from the partial-benefit dual eligible members.

Example 3: Plan A has a D-SNP PBP 001 with full-benefit dually eligible and partial-benefit dually eligible beneficiaries in CY 2026. However, for CY 2027, Plan A will separate the partial-benefit dual eligible beneficiaries into PBP 002. Plan A will need to submit a POVER to move the partial-benefit dual beneficiaries into PBP 002.

NOTE: Failure to move full-benefit dually eligible beneficiaries or the partial-benefit dual beneficiaries that need a POVER transaction prior to CMS Annual Rollover and Termination will result in the beneficiaries being disenrolled.

- d. When a plan moves only **SOME** beneficiaries from the ‘losing’ plan to the ‘gaining’ plan and also has a CMS approved crosswalk exception, the plan must submit a POVER.

For an approved crosswalk from a CY 2026 PBP to a different PBP number within the same contract number, or in a different contract number within the same parent organization for CY 2027, plans must submit one or more plan-submitted rollover special batch files. Before

submitting a POVER file, the plan must submit a Special Batch File Request. For details on how to submit the request and how to submit the POVER file, please refer to the PCUG at:

https://www.cms.gov/Research-Statistics-Data-and-Systems/CMS-Information-Technology/mapdhelpdesk/Plan_Communications_User_Guide.

The POVER process is in section 8.5.3, View Special Batch File Request (M317) Screen section.

POVERS use the Transaction Code 61 enrollment transaction and should be submitted in a POVER file (or files, as necessary) separate from any other MARx submission activity. Plans must use the following specific data elements on each transaction:

- Transaction code = 61
- Application date = October 1, 2026
- Effective date = January 1, 2027
- Election type code = “C”
- Enrollment source code = “N”

(2) Plan Submitted Service Area Reduction (Disenrollment) Actions

Plans that have an approved SAR may or may not be required to submit TC 51 Disenrollment transactions as follows:

- If the approved SAR results in the termination of an entire PBP, CMS completes the disenrollment as described in section 2.B.
- If the approved SAR is at the contract level, CMS completes the disenrollment as described in section 2.B.
- If the approved SAR is at the PBP or segment level, and there is **no** approved crosswalk exception, the plan must submit the disenrollment transactions as described below.

Example 1: Plan A PBP 001 has Prince Georges, Frederick, and Anne Arundel Counties and the rollover request includes moving Prince Georges and Frederick Counties to Plan A PBP 003 and Anne Arundel County is terminating. The plan must submit a disenrollment transaction for the beneficiaries in Anne Arundel County.

Example 2: Plan A PBP 001/001 has Prince Georges, Frederick, and Anne Arundel Counties and the rollover request includes Prince Georges and Frederick Counties in Plan A PBP 001/005 and Anne Arundel County is terminating. The plan must submit a disenrollment transaction for the beneficiaries in Anne Arundel County.

NOTE: For example 2, if the plan **does not submit** a disenrollment for the SAR for Anne Arundel County, the beneficiaries will continue to remain enrolled in the contract/PBP.

In limited CMS approved circumstances, such as when an MA organization reduces the service area of a CY 2026 MA PBP/PBPs and only a portion of the PBP is affected, the MA organization must submit disenrollment transactions to disenroll only the beneficiaries from the PBP/PBPs affected by the SAR that are not being rolled over to a new 2027 plan. MA organizations submitting disenrollment transactions under these circumstances should use the following data elements:

- Transaction Code = 51
- Effective date = January 1, 2027 (for December 31, 2026, disenrollment)
- Election type code = “X”
- Disenrollment Reason Code = 92

Plans must submit termination (disenrollment) actions in a batch file (or files, as necessary) separate from any other MARx submission activity. Successful transactions will receive a MARx response TRC 013 (“DISENROLLMENT ACCEPTED AS SUBMITTED”). If the plan does not submit their disenrollments, the beneficiaries will be still enrolled in a plan that is not active for the following year but would be considered out-of-area.

New enrollments into a SAR Plan

After the end of year SAR process, if a beneficiary elects to join a plan with an effective date prior to 2027, and that plan will no longer be available after January 1, 2027 due to a service area reduction, MARx will automatically process a disenrollment effective December 31, 2026. For example, if a beneficiary joins a plan with an effective date of November 1, 2026, but that plan will not be available to the beneficiary in 2027 due to a SAR, MARx will disenroll that beneficiary effective January 1, 2027, after the enrollment is submitted. Even though the plan will only be available to the beneficiary for two (2) months, the beneficiary may make a valid election to enroll in the plan before the service area reduction. All other guidance regarding terminations, SARs, and disenrollments, including notification to the beneficiary still apply.

(3) Plan Review of Rollover and/or Termination Actions

CMS Rollover and Termination Actions

Beginning November 3, 2026, and after receipt of the DTRR, plans should verify that all members are enrolled in the correct contract and PBP. If a beneficiary was not rolled over according to the plan’s crosswalk information in HPMS, the plan should contact the MAPD Help Desk.

Plan Rollover and Termination Actions

D-SNP look-alike plans must adjust and resubmit transactions no later than October 9, 2026, 5:00 p.m. EDT. All other plan types must adjust and resubmit transactions before October 23, 2026, 5:00 p.m. EDT. Correct effective and application dates must be used as noted above. Please do not wait until the deadline to conduct your plan review. All transactions must be successfully received by CMS on October 23, 2026, no later than 5:00 p.m. EDT.

Please be sure to review all the DTRRs you have received during the POVER timeframe. Ensure all rollover related enrollments and disenrollments were successful or rejected for an appropriate reason. After rollover activity has occurred, use all available CMS reports, such as the MMR and DTRR, to reconcile CMS data with your system's internal data. Plans are not required to send enrollment or disenrollment notification letters upon successful rollover. All rollover activity should be transparent to the beneficiary. The Annual Notice of Coverage (ANOC) and other required communications should be sent as usual. **Failure to successfully submit your transactions by 5:00 p.m. EDT on October 23, 2026 may result in beneficiaries being reassigned to another plan.**

(4) Submitting January Effective Disenrollments After Rollover

After CMS has performed the annual rollover on November 1 and 2, 2026, plans **will be** able to submit disenrollments with an effective date of November 1, 2026 or December 1, 2026, for beneficiaries that have been rolled over. These beneficiaries will have an enrollment end date of November 30, 2026 or December 31, 2026, and an enrollment start date of December 1, 2026 or January 1, 2027, with an enrollment source code of "D" for rollover. If the beneficiary decides to disenroll effective November 1, 2026 or December 1, 2026, MARx will shorten the enrollment with an October 31, 2026 or November 30, 2026 end date and remove enrollment for the 2027 gaining plan.

If a beneficiary makes a valid request to disenroll from their 2026 plan and the plan is unable to submit the disenrollment transaction to MARx, the plan should submit a category two submission package to the RPC via the Electronic Retroactive Processing Transmission (eRPT) application to have the beneficiary disenrolled. This will result in a removal of the enrollment in the 2027 plan.

3. Plan Reports, System Access, and Availability

A. October PDP Notification Files for Reassignment and for Auto/Facilitated Enrollment

On or about November 1, 2026, CMS will transmit to certain plans the files described in the forthcoming HPMS memoranda "2027 Reassignment of Low-Income Subsidy Beneficiaries in Prescription Drug Plans" and "2027 Reassignment of Low-Income Subsidy Beneficiaries in Non-Renewing Medicare Advantage Plans and Medicare Advantage Plans Reducing their Service Areas." These files include the reassignment notification file (also called the address file). They will provide a listing of Low-Income Subsidy (LIS) eligible beneficiaries whom CMS will reassign to a new plan effective January 1, 2027. In the rare occasion a reassigned beneficiary contacts the plan to indicate that they wish to remain with the plan for the following year, the plan should send the case to the RPC to cancel the enrollment into the new plan and remain in the "losing" plan.

On or about November 1, 2026, CMS will transmit to certain PDPs a STRR containing the confirmed enrollments and disenrollments resulting from the reassignment.

NOTE: Use the STRR issued on or about November 1, 2026, to submit 4Rx data. This file will contain the confirmed enrollments that result from the reassignment process. MARx cannot accept the 4Rx data until the enrollment is recorded.

B. Loss of Low-Income Subsidy (LIS) Data Files

CMS sends two (2) Loss of LIS data files to PDPs each fall. The first file is sent in October and identifies members who will no longer have the LIS as of January 1, 2027. The first file is for information purposes only. Early September 2026, CMS and SSA will jointly mail these individuals personalized letters printed on gray paper explaining the loss of LIS and an SSA LIS application for Extra Help for them to complete and return.

CMS expects PDPs to contact, by phone or mail, every member who will no longer qualify automatically for LIS beginning in 2027, to encourage them to apply for Extra Help and to assist them through the process. The HPMS memorandum titled “Re-Determination of Part D Low-Income Subsidy Eligibility for 2027” issued on June 26, 2026, contains additional information.

The second file will be sent in mid-December and will be an updated version of the October file, indicating those beneficiaries who still no longer have the LIS as of January 1, 2027. The file format can be found in the PCUG. This file should be processed through normal plan processes.

C. Monthly Payment Reports

The standard monthly payment reports for January 2027 will be sent to plans on or about December 22, 2026. Plans should carefully review all CMS reports including the January 2027 MMR to make sure all enrollees are in the correct PBP. Please contact the MAPD Help Desk for questions and problems.

D. Access to the MARx system and Reports for Plans Non-Renewing in 2027

To comply with federal privacy and security laws and guidance, CMS must disable system access for all users when a contract has ended. Access to data for a contract that has terminated will be disabled in Identity Manager (IDM) and MARx 60 days after the contract ends.

In addition, MARx will no longer push monthly payment reports (i.e., Daily Transaction Reply Data File, Monthly Membership Data File, Plan Payment Report) to organizations/sponsors via the Plan’s transmission method after 60 days of the contract’s termination, and CMS will cease the distribution of the monthly Plan Payment Report (PPR) after December 31, 2026.

E. Access to the Health Plan Management System (HPMS)

Plans may retain access to HPMS to perform reporting functions (e.g., DIR, MLR, risk adjustment overpayments, cost reports, and complaint resolution) that continue after the CMS

contract has ended. Users must complete the annual user recertification process and maintain their password to retain their CMS user ID.

F. MARx System User Interface (UI) Availability

The MARx User Interface is scheduled to remain available through October 31, 2026. The MARx UI will be in “Read-Only” mode on November 1 and 2, 2026, during rollover and termination processing. CMS anticipates the MARx UI to also be in “Read-Only” mode from November 7, 2026, to November 11, 2026, to enable time to process the December 2026 payment as well as 2027 premium and payment configuration activities. During the MARx UI “Read-Only” timeframe, all transactions including BCSS, DTRR and COB-OHI files will be held.

Thank you in advance for your assistance. Please take appropriate and timely action as required. If you have any questions about the information contained in this memorandum, please contact:

- The MAPD Help Desk at 1-800-927-8069 or MAPDhelp@cms.hhs.gov for MARx issues and any preparation activities or questions relating to EOY activities; or
- Your Account Manager for any issue or request outside of technical system guidance.