

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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CENTER FOR MEDICARE

DATE: November 27, 2019

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

FROM: Jennifer R. Shapiro, Acting Director, Medicare Plan Payment Group

SUBJECT: Medicare Advantage/Prescription Drug System (MARx) December 2019 Payment – INFORMATION

This letter provides information about the December 2019 Medicare Advantage/Prescription Drug payment, which is scheduled for receipt on November 29, 2019.

Coverage Gap Discount (CGD) Invoice Offsets

The 2019 CGD invoice offsets are included in the December 2019 payment. They appear in separate lines on the Plan Payment Report (PPR) with an adjustment type code “CGD.”

Low Income Subsidy (LIS) Status Missing for 2019

During 2018 end of year processing, MARx did not extend LIS statuses into 2019 for some beneficiaries. The problem has been fixed and payment adjustments will appear on the December 2019 Monthly Membership Report (MMR) with Adjustment Reason Code (ARC) 94 (Adjustment due to cleanup activity) and the Cleanup ID of CS270148.

Medicaid Status Errors

There have been some system errors in how Medicaid status is captured in our data systems that resulted in erroneous payments. CMS is running several fixes, and the resulting payment adjustments will be included in the payment over the next few months.

First, some payments in 2019 were incorrect because our data systems did not correctly capture a subset of Medicaid periods after they had been retroactively changed. The problem has been fixed and payment adjustments will appear on the December 2019 Monthly Membership Report (MMR) with Adjustment Reason Code (ARC) 94 (Adjustment due to cleanup activity) and the Cleanup ID of CS334860.

In addition, on June 27, 2019, CMS systems erroneously removed Medicaid periods from its databases. This caused a lower payment to plans for dual eligible beneficiaries enrolled August 2019 and ongoing. It also caused erroneous payment adjustments that lowered the 2017 and 2018 payments for dual eligible beneficiaries.

To remediate this issue, CMS completed the restoration of Medicaid data on 11/16/2019, and 2017 payment adjustments will be included in the January 2020 payment. A subsequent MARx data cleanup to resolve 2018 payment adjustments will be included in the March 2020 payment. 2019 payment adjustments will be included in the June 2020 payment as part of the 2019 final risk adjustment reconciliation.

New Medicare Card Project Transition Period – MARx Reminder

During the New Medicare Card Project transition period (04/01/2018 – 12/31/2019) Medicare Advantage and Part D plans have been able to submit MARx transactions and search the User Interface (UI) using either the Health Insurance Claim Number (HICN) or the Medicare Beneficiary Identifier (MBI).

The New Medicare Card Project transition period is scheduled to end on December 31, 2019. When the transition period ends, the MARx system will only accept the MBI. Plans will no longer be able to use the HICN for any batch or MARx UI transactions. If a plan submits a HICN after the transition period has ended, the transaction will be rejected with an invalid Beneficiary ID error.

Changes to MARx Plan Transaction Processing

Batch Input Transaction Data File Name

As announced in the *May 2019 Detailed Release Memo*, issued through the Health Plan Management System (HPMS) on 04/11/2019, CMS installed changes so that the Enterprise Identity Management (EIDM) User ID is used when sending the Batch Input Transaction Data File to MARx. In order for the Batch Input Transaction Data File to process successfully, and to receive a Batch Completion Summary Report (BCSS), plans should not submit files with the same date and time in the file name. This will cause a MARx system error and prevent the system from generating the BCSS.

Extension of the Transition Period for Submitting MARx Batch Input Header Record

CMS will extend the transition period end date from August 31, 2019 to December 31, 2019 when plan submitters can transmit both the old and new MARx Batch Input Detail submission files. After December 31, 2019, plan submitters will be required to submit files using the new format.

Questions or concerns about any of the information within this letter should be directed to the MAPD Help Desk at MAPDHelp@cms.hhs.gov, or 1-800-927-8069.