DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Beneficiary Choices
7500 Security Boulevard, Mail Stop C1-05-17
Baltimore, Maryland 21244-1850

CMS/
CENTERS for MEDICARE & MEDICAID SERVICES

Medicare Plan Payment Group

DATE: May 11, 2006

TO: **Medicare Advantage Plans**

FROM: **Thomas E. Hutchinson**
               Acting Director

SUBJECT: **Medicare Secondary Payer (MSP) Process for 2006**

The purpose of this letter is to remind you of the MSP reporting and payment processes and to clarify the data submittal requirements.

Plans will identify their members for which Medicare is secondary based on a survey of members of record on the 2006 March Monthly Membership Report (MMR). You are to survey all aged and disabled members that were enrolled with you for March 2006. Again, as in prior years, CMS will compute a contract-level factor that will be applied to your plan's monthly payment. Payments for Hospice and ESRD members will be removed from the monthly total prior to application of the MSP factor. This factor will remain in place for the payment year.

MA Plan Activities

- Survey aged and disabled members reflected on the March 2006 monthly membership report. If a member has disenrolled prior to beginning your survey process, attempt to obtain a current survey from him/her. If there is no response, you may use the results of the last prior survey.

- For members for whom Medicare is secondary, report member-level information to CMS in an EXCEL spreadsheet. It is to be submitted on a separate CD from the Nonrespondent data (see below). If you are reporting for multiple contracts, MSP data for each contract is to be in a separate EXCEL file on the CD. **Do not submit data on sheets within EXCEL files, you must put each contract in a separate file**. The columns for the EXCEL spreadsheet are to be as follows.

TITLE	Name the EXCEL file "MSP.2006.HXXXX", X = your contract number
1	Contract Number
2	Medicare HIC#
3	Last Name
4	First Name
5	Date of Birth in YYYYMMDD Format

- For members that are <u>NOT defined as MSP,</u> report nothing.

- <u>For nonrespondents,</u> report member-level information to CMS in an EXCEL spreadsheet. It is to be submitted on a separate CD from the MSP data (see above). If you are reporting for multiple contracts, nonrespondent data for each contract is to be in a separate EXCEL file on the CD. **Do not submit data on sheets within EXCEL files, you must put each contract in a separate file**. The columns for the EXCEL spreadsheet are to be as follows.

TITLE	Name the EXCEL file "Nonrespondents.2006.HXXXX", X = your contract number
1	Contract Number
2	Medicare HIC#
3	Last Name
4	First Name
5	Date of Birth in YYYYMMDD Format

- **Plans must submit this data on CDs by September 15, 2006 to:**

  > CMS
  > C/O Angela Wright
  > C1 -05 - 17
  > 7500 Security Blvd.
  > Baltimore, MD 21244

- Please confirm by email that you have sent this data and include a contact person (with an e-mail address and telephone number) to

  > Angela.wright@cms.hhs.gov
  > Terry.Williams@cms.hhs.gov

Upon review of the CDs, CMS will confirm receipt of your data.

If you have any questions related to the information contained in this letter, please contact Terry Williams on 410.786.0705. If you have questions related to your submission, please contact Angela Wright on 410.786.1125.

cc: Marla Kilbourne
     Tracey McCutcheon