

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Beneficiary Choices
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MEDICARE PLAN PAYMENT GROUP

DATE: August 16, 2007

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

FROM: Thomas Hutchinson /s/
Director

SUBJECT: Resynchronize Payment and Premium Data with Membership Data – INFORMATION

The MARx payment system is comprised of three subsystems: enrollment, payment, and premiums. CMS has performed a resynchronization of the enrollment, payment and premium data in MARx to correct inconsistencies between these types of data. Resultant payment adjustments will be included in your September payment. Note, that this resynchronization is necessary to correct the expected premiums for some of the beneficiaries excluded from the 2006 premium reconciliation analysis as discussed in the July 23, 2007 HPMS memorandum, "Update on the 2006 Premium Withholding Reconciliation (PWR) including file layouts for new ad-hoc member level report".

The basis for this activity is the enrollment data as it appears in MARx after the enrollment reconciliation and other retroactivity were completed. We realize that some of the transactions that plans submitted as part of this reconciliation were not processed or were rejected; therefore, in some cases, additional MARx retroactivity will be required. However, we need to proceed with this resynchronization because the reason those transactions failed was inconsistent enrollment and payment data. Plans will be informed of the next steps related to these previously rejected transactions after this activity has been completed.

The scope of this resynchronization is the February 2005 through August 2007 enrollment periods. No transaction replies will be created unless a beneficiary was in premium withholding status and the processing will result in having more than \$200 withheld. In these cases, you will see transaction reply code 144 on your September monthly TRR.

You will see payment adjustments on the September MMR; i.e., adjustment code 02 will be payments owed to you and adjustment code 03 will be payments deducted from you based on this resynchronization.

If you have any questions or issues with other items in this letter, please feel free to contact your Division of Payment Operations representative per the attached list.

Attachment

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