

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Center for Medicare  
7500 Security Boulevard, Mail Stop C1-13-07  
Baltimore, Maryland 21244-1850



**MEDICARE PLAN PAYMENT GROUP**

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**DATE:** October 3, 2011

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

**FROM:** Cheri Rice /s/  
Director

**SUBJECT: Medicare Advantage Prescription Drug System (MARx) October 2011 Payment – INFORMATION**

This letter provides information regarding the October payment, scheduled for receipt on September 30, 2011, and other payment related items that may require plan action.

**Low Income Subsidy (LIS) Cleanup**

A cleanup was processed to recoup LIS payments incorrectly made to plans for beneficiaries that were not in LIS status. These adjustments will appear on the Monthly Membership Report (MMR) with an Adjustment Reason Code (ARC) of 36 – Part D Rate Change.

**Change in October Plan Data Due Date**

CMS is notifying all plan organizations of an important change to the MARx Monthly Schedule. The Plan Data Due Date (or MARx “cut-off”) in October 2011 is being changed from October 14, 2011 to October 7, 2011. This change is necessary to allow for end-of-year transition activity and preparations for the start of the Annual Enrollment Period (AEP) on October 15, 2011. Please contact the MAPD Help Desk if you have any questions at 1-800-927-8069 or email them at MAPDHelp@cms.hhs.gov.

**Part D Reconciliation for 2010**

The Part D Reconciliation for 2010 will be processed in the November 2011 payment. Plans will see the Part D adjustment amounts on the Plan Payment Report under Adjustment Type - PRS.

**Retroactive ESRD Status in September Payment**

Several plans have contacted CMS with questions regarding Retroactive ESRD Status (ARC 08) payment adjustments appearing in the September payment. We have confirmed some individual cases where a beneficiary was paid at an ESRD rate but was not actually in ESRD status. CMS is working with the MARx systems maintainer in actively investigating this issue. Plans can assist us by sending examples of suspected errors as described above in an email to [CPC\\_DPO@cms.hhs.gov](mailto:CPC_DPO@cms.hhs.gov) with "September 2011 ESRD Payment (ARC 08)" in the Subject Line. Please include in the email your plan number, the number of suspicious payments and a point of contact. We will provide additional guidance as soon as we conclude our review.

Please contact the appropriate DPO Representative (list attached) with questions about information in this letter or assistance with other payment or premium related issues. Thank you.

cc: DPO Representatives  
Director, DPO  
MAPD Customer Support

DIVISION OF PAYMENT OPERATIONS (DPO)  
REGIONAL ASSIGNMENTS

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