

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850



Medicare Plan Payment Group

DATE: July 27, 2012

TO: All Medicare Advantage, Prescription Drug Plan, Cost, PACE, and Demonstration Organizations Systems Staff

FROM: Cheri Rice /s/
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SUBJECT: Advance Announcement of November 2012 Software Release

The Centers for Medicare and Medicaid Services (CMS) continues to implement software improvements to the enrollment and payment systems that support Medicare Advantage and Prescription Drug (MAPD) programs. This letter provides advanced information regarding the planned release of systems changes scheduled for November 2012. This release focuses on improving the efficiency of CMS systems as well as plan processing. The changes for this release are listed below and may require plan action.

By mid-August, CMS intends to provide the detailed information that plans will require for implementation in early November 2012.

Automate Assignment of Segment IDs in the Medicare Advantage (MA) and Prescription Drug (MARx) System

The purpose of this update is to automate the assignment of Segment IDs for segmented MA plans. There is a one-to-one mapping between a Segment ID and the State County Codes (SCC) in a plan's service area. Each SCC in the service area can belong to only one segment. This enables MARx to automate the assignment of Segment IDs based upon the residence SCC of the beneficiary.

CMS will continue to permit plans to submit Segment IDs as they do now. However, if the beneficiary is flagged as Out-of-Area, the Segment ID assignment will default and disable premium withholding. CMS will alert plans to default Segment ID assignments through newly defined Transaction Reply Codes (TRCs) on the Daily Transaction Reply Report (DTRR). These TRC definitions will appear in the November 2012 Software Release Memo.

CMS Systems Update to Accommodate H and I in RRB HICNs

Additionally, Health Insurance Claims Numbers (HICNs) can now include the letters H and I for Railroad Retirement Board (RRB) beneficiaries. Plans should review their edits to ensure that their systems accommodate these letters. CMS will make changes in its systems to accommodate these letters prior to annual enrollment.

Plans are encouraged to contact the MAPD Help Desk for any issues encountered during the systems update process. Please direct any questions or concerns to the MAPD Help Desk at 1-800-927-8069 or e-mail at mapdhelp@cms.hhs.gov.