

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Medicare
7500 Security Boulevard, Mail Stop C1-13-07
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MEDICARE PLAN PAYMENT GROUP

DATE: September 25, 2012

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 2012 Payment – INFORMATION

This letter provides information about the October payment, which is scheduled for receipt on October 1, 2012, and other payment related items that may require plan action.

Coverage Gap Discount (CGD) Offsets

The CGD offsets continue in the October payment. Plans will see multiple line items in the Special Adjustments Section on the plan payment report. The description will read “CGD INVOICE OFFSETS FOR YYYY” where YYYY is the Plan Benefit Year.

FY 2012 User Fees

Collection of the FY 2012 user fees was completed in the September payment. Plans will be notified about the FY 2013 user fee rates prior to resuming their collection in the January 2013 payment.

Premium Resynchronization

A cleanup was run in August to resynchronize premium and payment data with existing enrollment periods. The resulting payment adjustments were seen on the September MMR under ARCs 02 (Retroactive Enrollment) and 03 (Retroactive Disenrollment) with the cleanup identifier of 1596794. The resulting premium adjustments will be seen on the October Monthly Premium Withhold Report.

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

cc: DPO Representatives
Director, DPO
MAPD Customer Support

**CENTERS FOR MEDICARE
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