

DEPARTMENT OF HEALTH & HUMAN SERVICES  
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**CENTER FOR MEDICARE**  
**OFFICE OF INFORMATION SERVICES**

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**DATE:** September 17, 2013

**TO:** All Medicare Advantage Organizations, Prescription Drug Plan Sponsors, Cost Plans and Program of All-inclusive Care for the Elderly Organizations

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**SUBJECT:** End-of-Year 2013 Enrollment and Payment Systems Processing Information

**Memorandum Summary**

The End-of-Year (EOY) enrollment and payment systems processing activities are critical operations that require adherence to specific activities in defined time frames to assure successful transition to calendar year (CY) 2014. This memorandum provides information to support Plans in their EOY efforts regarding:

1. Medicare Advantage & Prescription Drug (MARx) System Transaction Processing;
2. Rollover and Terminating Plan MARx Transaction Processing; and

This memorandum provides all Medicare Advantage organizations, prescription drug plan sponsors, cost plans, and Program of All-inclusive Care for the Elderly (PACE) organizations (collectively referred to as “Plans,” unless otherwise specified) with information about the EOY systems’ processing activities and the transition to CY 2014. While the dates and information included in this memorandum are final, CMS may be required to make modifications to account for system resources or other factors. We will promptly notify Plans if changes are necessary.

The items outlined in this memorandum are categorized into the following areas:

**1. MARx System Transaction Processing**

- A. Plan Enrollment and Disenrollment Transaction Submission, and Other Key Dates, Schedule

- B. Submitting Enrollment (Transaction Code 61) and Disenrollment (Transaction Code 51) Transactions with January 01, 2014 Effective Dates
- C. Premium Changes with 2014 Effective Dates
- D. Submissions of 2014 4Rx Data and Updates to Payer Sheets for 2014
- E. Payment Information for Plans Non-Renewing for 2014
  - (1) Retroactive Payment Adjustments
  - (2) Final Reconciliation
- F. Automate Assignment of Segment IDs in the MARx System

## **2. Rollover and Terminating Plan MARx Transaction Processing**

- A. CMS-Generated Rollover (Enrollment) and Termination (Disenrollment) Actions
- B. Plan-Submitted Rollover (Enrollment) and Termination (Disenrollment)
  - (1) Plan-Submitted Rollover (Enrollment) Actions
  - (2) Plan-Submitted Non-Renewal or Service Area Reduction (Disenrollment) Actions
  - (3) Plan Review of CMS Reply to Plan-Submitted Rollover and/or Termination Actions
  - (4) Submitting January Effective Disenrollments After Rollover
- C. Reconciliation of Rollover, Non-Renewal and Service Area Reduction Activity
  - (1) Reconciliation of CMS-Generated Rollover Activity
  - (2) Reconciliation of Plan-Submitted Rollover Activity

## **3. Plan Reports and System User Interface (UI) Availability**

- A. October Prescription Drug Plan (PDP) Notification Files for Reassignment
- B. Loss-of-Low-Income-Subsidy Data Files
- C. Monthly Reports
- D. MARx System UI Availability

## **1. MARx System Transaction Processing**

### **A. Plan Enrollment and Disenrollment Transaction Submission, and Other Key Dates, Schedule**

#### **Key Date Summary:**

<b>Date</b>	<b>Item</b>
September 2013	Informational Loss-of-Low-Income-Subsidy data file to Part D Plans, identifying members who will no longer have the low income subsidy (LIS) as of January 01, 2014.
Week of September 16, 2013	Joint mailing from CMS and the Social Security Administration (SSA) to beneficiaries explaining the loss of LIS and including an SSA LIS application for Extra Help.
October 04, 2013	October Plan Data Due Date.
October 05, 2013	Begin submitting 2014 enrollment effective dates.
October 07, 2013, no later than 5 p.m. EDT	Plans approved for renewal or crosswalk exceptions by CMS that require plan-submitted EOY activity must submit MARx transactions. (See section 2.B)

<b>Date</b>	<b>Item</b>
October 08, 2013, no later than 11:59 p.m. EDT	Plans must report to CMS the status of their submission based on the MARx reply reports.
October 14, 2013	Columbus Day holiday.
October 15, 2013	Annual Enrollment Period (AEP) begins.
October 18, 2013	Plans will receive special Transaction Reply Reports (TRRs) and other reports containing reassignment activity. CMS will begin to send blue reassignment letters to beneficiaries.
November 08, 2013	November Plan Data Due Date.
December 04, 2013	December Plan Data Due Date.
December 05-06, 2013	CMS-generated rollover and termination processing.
December 06- 07, 2013	Plans receive TRCs on daily TRR created by CMS-generated rollover and termination processing.
December 07, 2013	AEP ends.
Mid-December, 2013	Second Loss-of-Low-Income-Subsidy file sent indicating those beneficiaries who still no longer have the LIS as of January 01, 2014.
January 10, 2014	January Plan Data Due Date.

### ***October 04, 2013***

As noted in the chart above, the October 2013 Plan Data Due date (MARx “cut off”) is October 04, 2013. This date allows time for EOY transition activity and preparations for the start of the AEP on October 15, 2013.

### ***November 09, 2013***

Due to EOY processing, we will place all batch files that MARx receives beginning immediately after the November 2013 Plan Data Due Date on November 09, 2013 into a holding status. These files will be held until the 2014 payment configuration tasks are complete. We will begin to process any such files in the order received, beginning on or about November 15, 2013. Plans can also expect to begin receiving their Daily Transaction Reply Reports (DTRR) at that time.

### ***January 10, 2014***

The Plan Data Due date for January 2014 is January 10, 2014. The entire CY 2014 MARx Plan Monthly Schedule will be published separately from this guidance and incorporated into the Plan Communications User Guide (PCUG). Plans are requested to submit transactions early and frequently to meet the seven-day submission requirement, per CMS’ enrollment guidance. Plans must reconcile all submissions and responses promptly.

## **B. Submitting Enrollment (Transaction Code 61) and Disenrollment (Transaction Code 51) Transactions with January 01, 2014 Effective Dates**

Plan enrollment and disenrollment transactions must be processed in accordance with CMS enrollment guidance for each specific plan type. Plans should review our enrollment policy guidance applicable to your plan type for additional information.

### ***Requests Received October 01, 2013 through October 04, 2013 for January 2014***

Valid requests for enrollment effective January 01, 2014 received from October 01, 2013 through October 04, 2013 must be internally processed by the Plan as usual; however the MARx transaction must be held and submitted beginning October 05, 2013. The correct values for the election type code (election period identifier) and the application date field must be used. In order to accommodate CMS' normal month-end processing, CMS will process these submitted enrollments beginning October 07, 2013. Therefore, any transactions submitted on October 05, 2013 through October 07, 2013 will show up on the October 08 DTRR.

Note: When calculating plans' timeliness for enrollment applications dated October 01 through October 04, CMS counts as timely, enrollment transactions submitted October 05 through October 12 (the seven days will begin on October 05).

If a Plan submits enrollment transactions effective January 01, 2014 on or before the October 04, 2013 MARx Plan Data Due date, the transactions will either:

- FAIL: Plan receives Transaction Reply Code (TRC) 003 (Invalid Contract Number),  
or
- REJECT: Plan receives TRC 107 (Rejected; Invalid or Missing PBP Number)

### ***Beginning on October 05, 2013***

Plans may begin to submit enrollment (and disenrollment) transactions for valid January 01, 2014 effective dates. These transactions must be submitted using the appropriate application date, as directed in our guidance. Plans may not manipulate the application date or other information on the transaction to inappropriately ensure enrollment in their plan or defeat otherwise appropriate systems rejections.

Plans do not have to split batch files by effective-date year. Plans may submit multiple valid enrollment transactions with varying effective dates in the same MARx submission file. As is customary, Plans may submit transactions for multiple contract numbers in one file.

As noted above, in order to accommodate CMS' normal month-end processing, CMS will process enrollments submitted from October 05, 2013 through October 07, 2013 beginning October 07, 2013. Therefore, these transactions will show up on the October 08, 2013 DTRR.

***On October 15, 2013***

MARx enrollment transactions reporting unsolicited paper AEP enrollment requests that Plans may receive prior to the start of the AEP must be submitted to CMS on October 15, 2013. **Plans must use October 15, 2013 as the application date and the AEP Election Type Code (value = A) on these transactions.** Refer to the CMS manual chapter applicable to each plan type for information about “unsolicited AEP” enrollment requests.

**C. Premium Changes with 2014 Effective Dates**

To reduce the number of Part C premium change transactions (Transaction Code 78) to be processed for existing enrollments at year end, the MARx system will automatically populate beneficiary records with the 2014 minimum premium amount from the Health Plan Management System (HPMS). MARx will perform this update for all existing enrollees as well as those impacted by Plan rollovers via the HPMS Crosswalk.

Unless the enrollee has elected optional supplemental benefits for Part C, Plans should not need to submit premium change transactions for existing enrollments. For any enrollees who elect supplemental benefits with 2014 effective dates, Part C Plans are required to submit Part C Premium Change Transactions (Transaction Code 78) with the correct Part C premium amounts. Any Part C Premium amounts submitted for elected optional supplemental benefits should include all premiums (i.e., any mandatory minimum premiums plus premiums for optional supplemental benefits). Please see the note below about the processing of premium transactions.

If the Part C premium amount is composed only of elected optional supplemental benefits and no Part D premium is due, Plans should also review the “No Premium Due Data File” to identify enrollees who may have been changed to a “No Premium Due” status. Enrollees may have been in premium withholding during 2013, but if the system cannot determine that a premium will be owed during 2014 (the minimum Part C premium is zero), the withholding status will be turned off. In these cases, Plans should submit both a Part C Premium Change (Transaction Code 78) and a Premium Payment Option Change (Transaction Code 75) for 2014.

**Note about the Processing of Premium Transactions**

***Beginning November 09 and ending December 04, 2013***

Premium Change and Premium Payment Option Change transactions for January 2014 effective dates must be submitted to CMS beginning November 09, 2013, and ending on the December Plan Data Due date of December 04, 2013. Plans must not submit these transactions before November 09. Any Premium Change Records with a January 2014 effective date that is submitted prior to November 09 will not be processed until the November monthly processing cycle is complete. For enrollees who may have inadvertently been placed in a “No Premium Due” status, the “No Premium Due Data File” should be made available on or about November 14, so plans should wait until then before submitting transactions for those enrollees. The December No Premium Due file

will also be available on or about December 11, 2013. Plans can access the year-end No Premium Due files using the following dataset names:

Gentran Mailbox/TIBCO MFT Internet Server:

- P.Rxxxxx.SPCLPEX.Dyymmdd.Thhmsst

Connect:Direct (Mainframe):

- zzzzzzzz.Rxxxxx.SPCLPEX.Dyymmdd.Thhmsst

Connect:Direct (Non-Mainframe):

- [directory]Rxxxxx.SPCLPEX.Dyymmdd.Thhmsst

New premium withholding requests must be submitted to either the Social Security Administration (SSA) or Railroad Retirement Board (RRB) for confirmation before taking effect on January 01, 2014. These transactions are expected to be processed by SSA/RRB within the first two months of 2014 and may be applied as a retroactive change back to January 01, 2014.

Because CMS only permits prospective premium withhold requests, any premium withhold request that is associated with an enrollment transaction effective January 01, 2014 will be converted to direct-bill if the transaction is received after December 04, 2013. When a retroactive premium withhold request is detected in normal MARx batch processing, the request will be converted to direct-bill status and the Plan will be notified of this outcome via the TRR, with a TRC 144.

1. The Plan must submit the withholding request by the Plan Data Due Date immediately preceding the requested effective date; otherwise CMS will reject the request as retroactive. For example, a request for a withholding effective of February 01, 2014 must be submitted to CMS by the Plan Data Due Date of January 10, 2014.
2. The withholding agency (SSA or RRB) must subsequently confirm that the premium amount can be withheld from the beneficiary's benefit check.

If a Plan misses the December 04 deadline for submitting changes to be effective January 01, 2014, it can still submit a Part C premium change (transaction 78) for January 2014 up to the cut off dates in January and February 2014. As stated previously, MARx will enforce the rule that the premium payment option is direct bill. In these cases, the Plan will have to bill the beneficiary until it can submit a withhold request for a prospective date.

#### **D. Submission of 2014 4Rx Data and Updates to Payer Sheets for 2014**

*CMS-Generated Enrollments:* Part D Plans must include 4Rx data on sponsor-submitted enrollments. However, for CMS-generated enrollments, such as rollover transactions, auto-assigned enrollments and facilitated enrollments, Plans must submit the 4Rx data within 72 hours of the Plans' receipt of the TRR reporting these enrollments. The PCUG provides detailed information for sponsors to follow in submitting 4Rx data to CMS.

CMS has scheduled the processing of the 2014 CMS-generated enrollment transactions to ensure 4Rx data are available timely. CMS will continue to monitor and report the effectiveness of these processes through performance metrics based on pharmacy complaints as well as the completeness and timeliness of sponsor 4Rx submissions.

*Reassigned Enrollees:* Part D sponsors will be receiving a special TRR in mid-October reporting reassignment transactions. For these reassignment transactions, sponsors must submit the 4Rx data within 72 hours of receipt of the special TRR. This will ensure that 4Rx data for the CMS-reassigned beneficiaries will be available to support pharmacy E1 queries within 96 hours of the sponsor's receipt of the special TRR.

*4Rx Data Changes:* We also remind Part D sponsors to submit updated 4Rx data for all beneficiaries whose 4Rx data is changing for any reason (for example, when a Part D sponsor changes its Pharmacy Benefits Manager (PBM)). Sponsors are required to submit the beneficiary's new 4Rx data to CMS using Transaction Code 72 if there will be a change in any of the 4Rx data elements (RxBIN, RxPCN, RxGROUP, or RxID). Under these conditions, a Transaction Code 72 change transaction must be submitted even in those situations in which the CMS contract and plan benefit package (PBP) numbers remain the same.

*4Rx Data Not Changing:* If the beneficiary's enrollment information (that is, contract number and PBP number) and all of the 4Rx data elements are not changing for CY 2014, it is not necessary to submit a Transaction Code 72 4Rx Data Change transaction.

*Payer Sheets:* In addition to updating members' 4Rx data as required, Part D sponsors are reminded to update their payer sheets to reflect any billing changes associated with their 2014 Part D benefits, including changes in Plan names, BIN/PCNs, or any other relevant billing information. Updated payer sheet changes should be communicated to all contracted pharmacies as soon as possible.

## **E. Payment Information for Plans Non-Renewing for 2014**

Information regarding retroactive adjustments for non-renewing plans is described in this section. Please note that monthly plan payment reports are not available to Non-Renewed Plans 61 days after termination. Monthly Membership Reports (MMRs) created after termination will accompany the Plan's final reconciliation results from CMS. CMS systems' access for all users of a non-renewed contract will end 60 days after the contract terminates. (HPMS access is not removed after 60 days.) Plan users can retain access to HPMS following termination in order to perform certain functions, such as direct and indirect remuneration reporting.

### **(1) Retroactive Payment Adjustments:**

Non-renewed Plans are required to reimburse CMS for any overpayments. Conversely, a Plan will have the right to seek reimbursement from CMS for any previously identified underpayments. MA organizations and PDP sponsors seeking

payment adjustments should submit requests to the Retroactive Processing Contractor (RPC), currently Reed & Associates, within 45 days from the date of receipt of the January payment monthly reports (scheduled for the week of December 19, 2013). The submission of retroactive enrollment requests and status changes (i.e., Medicaid, LIS, SCC, etc.) to the RPC will trigger our retroactive-payment-adjustment process. The requested corrections will be verified and, if verified, applied to the Plan's member records. These corrections will be included in the Plan's final payment reconciliation after the final risk adjustment, and Part D and Coverage Gap Discount (CGD) reconciliations are completed for 2013.

## **(2) Final Reconciliation:**

CMS will complete final reconciliation of its accounts with Plans after the final risk adjustment, Part D, and CGD annual reconciliations for 2013 have been performed. We anticipate the final reconciliation and settlement of 2013 terminated plans will begin during the first quarter of CY 2015. However, it is important to note that completion of final reconciliation may be delayed in the event a Plan fails to comply with its remaining risk adjustment data submission requirements.

For MA organizations and PDP sponsors that are reducing service areas for contracts that will continue in 2014, a final reconciliation will not be performed solely because the Plan is reducing its service area. Payment adjustments related to coverage provided to enrollees in the discontinued portions of the service area will be included as part of the regular payment adjustment process and will appear in the Plan's monthly payments during 2014.

## **F. Automate Assignment of Segment IDs in the MARx System**

CMS automates the assignment of Segment IDs for segmented MA Plans. Each State and County Code (SCC) in a Plan's service area belongs to only one Segment. This enables MARx to automate the assignment of Segment IDs according to the residence SCC of the beneficiary. If a Plan does not provide a Segment ID, MARx uses the residence SCC to select the appropriate Segment ID. This assigned Segment ID is returned in the reply.

If, for the upcoming plan year, the segments of a plan have been redefined, either because segments have been renumbered or SCCs have been mapped to different segments, MARx will automatically generate Segment Change Transactions (Transaction Type 77) to maintain impacted beneficiaries in the appropriate plan segments for the new year. If a segment terminates at the end of year, MARx will also automatically move impacted beneficiaries to any of the remaining active segments according to their residence SCC.

If a beneficiary is flagged as out-of-area for the plan, the MARx system automatically assigns a default Segment ID. This occurs even if the Plan submits a Segment ID on the enrollment transaction. When the beneficiary is assigned to a default Segment ID, the



Plan receives TRC 316 – Default Segment ID Assignment. Beginning in 2014, the default segment will be the segment with the lowest premiums.

CMS continues to permit Plans to submit Segment IDs as they do now. If the beneficiary is not out-of-area, MARx uses the submitted Segment ID rather than the segment assigned by the system.

Additionally, CMS may change a beneficiary's Segment ID when notified that the beneficiary's address has changed. The new derived SCC is used to assign the new Segment ID. This activity generates a TRC 317 – Segment ID Reassigned after Address Update. If the new address places the beneficiary out-of-area for the contract, he or she is assigned the default Segment ID.

If premium withholding is requested on the enrollment transaction for a beneficiary assigned to a default Segment ID due to an out-of-area status, the beneficiary's Premium Payment Option automatically changes to "Direct Bill". This will generate TRC 144. However, if a beneficiary with established withholding moves out-of-area, CMS will report the default Segment ID assignment to SSA/RRB but leave the withholding status unchanged.

CMS alerts MA plans to default Segment ID assignments and reassignments of Segment ID due to changes in the SCC through the following TRCs on the DTRR:

- TRC 316, Default Segment ID Assignment
- TRC 317, Segment ID Reassigned after Address Update

## **2. Rollover and Terminating Plan MARx Transaction Processing**

In certain instances, MARx will create a rollover or disenrollment transaction, and in others it will not.

### ***No action necessary***

When the renewal from CY 2013 to CY 2014 did not result in any change to the contract and PBP number, no MARx enrollment action is necessary for membership to continue to be enrolled in 2014. It is not necessary to submit 4Rx data for such membership, unless there has been a change to the 4Rx data itself (please see section 1.D of this memo for additional information on 4Rx data requirements).

### ***Action necessary***

There are two types of rollover (enrollment) and termination (disenrollment) actions in MARx:

- (A) CMS-generated actions, and
- (B) Plan-submitted actions.

Only those Plans with approved HPMS crosswalk exceptions that require Plan-submitted actions may submit such actions and must adhere to the instructions and timeframes provided in this guidance.

## **A. CMS-Generated Rollover (Enrollment) and Termination (Disenrollment) Actions:**

### ***December 05 & December 06, 2013***

CMS will process CMS-generated rollover and termination actions on December 05 and December 06, 2013. During this time, we will move members (or “rollover” membership) between PBPs where necessary and, in some circumstances, between contract numbers as specified in the HPMS Crosswalk. We will disenroll all remaining members of terminating PBPs effective January 01, 2014. The CMS-generated rollover process can accommodate the following scenarios:

- All enrollees in one 2013 PBP moving to a single new 2014 PBP.
- All enrollees in multiple 2013 PBPs moving to a single PBP for 2014.
- Certain contract-to-contract consolidations where whole PBPs are cross-walked.
- Termination (or non-renewal) of whole PBPs and/or whole contracts.

### ***December 06 and December 07, 2013***

The transactions created by CMS-generated rollover and termination will appear on the normal December 06 and/or December 07, 2013 DTRR. CMS-generated rollover enrollment transactions will have a response of TRC 100 or TRC 011, an effective date of January 01, 2014 and the value “D” in field 37 (the Enrollment Source Code). CMS-generated disenrollment transactions will have a response of TRC 018 on a Transaction Code 51 disenrollment transaction and an effective date of January 01, 2014.

For CMS-generated rollover actions for MA organizations that include segments the Segment ID will be automatically assigned based upon the SCC known to CMS. Please review section 1.F above for additional information about automated Segment ID. MA plans will need to follow the successful rollover as reported on the DTRR with a TC77 to correct the Segment ID whenever such a correction is needed.

Plans that are terminating or non-renewing their entire contract as of December 31, 2013, as well as Plans that are renewing their contracts but terminating an entire PBP (or multiple entire PBPs), as of December 31, 2013, do not need to submit MARx disenrollment transactions (TC51) to complete the disenrollment effective December 31, 2013. Affected beneficiaries do not need to request disenrollment.

However, Plans must submit transactions for members who request disenrollment for an effective date prior to the non-renewal/termination date of December 31, 2013. For example, Plans must process a valid request for a disenrollment that is effective November 30, 2013, and submit a TC51 disenrollment transaction to report that disenrollment. A 2013 Plan terminating entirely must complete these actions while the Plan has access to CMS systems.

When a Plan submits a beneficiary enrollment with an effective date of November 01, 2013, or December 01, 2013, into a Plan that is rolling over at the end of the year, or a Plan is reducing its service area and the reduction will affect the applicable beneficiary, the affected Plan will receive TRCs indicating that the beneficiary is enrolled

in the requested plan as of November 01, 2013 or December 01, 2013, as applicable, and an enrollment into the crosswalked plan, effective January 01, 2014, on the same DTRR. CMS will automatically generate the enrollment into the 2013 Plan pursuant to the Plan's approved crosswalk or crosswalk exception. These enrollments will appear on the normal DTRR. It is critical that Plans review the applicable DTRR promptly to ensure that the appropriate enrollment into the 2014 plan occurs.

Note: CMS noted in its April 12, 2013 *Advance Announcement of the August 2013 Software Release*, and its May 14, 2013, *Announcement of August 2013 Software Release*, that the timing of the annual rollover and termination process would be moved from December to November beginning in 2013. CMS will not be making this schedule change in 2013, but intends to make the scheduling change in 2014. Therefore, in 2013 the annual rollover and termination process will occur in December. In 2014, we expect the annual rollover and termination process to occur in November. This scheduling change will allow Plans time to submit Premium Payment Option changes effective for their January 1<sup>st</sup> payment, while still allowing CMS to review and address any end-of-year issues before the January effective date.

## **B. Plan-Submitted Rollover (Enrollment) and Termination (Disenrollment) Actions:**

If a Plan received approval from CMS for a CY 2014 crosswalk exception, it should be aware of which crosswalk scenarios will be processed by CMS as a consolidation or renewal, and which scenarios will require Plan-submitted MARx transactions to accomplish the actions. To see which approved CY 2014 crosswalk exceptions require Plan-submitted MARx transactions, Plans should access the Plan Crosswalk Report in HPMS (HPMS > Contract Reports > CY 2014 > Plan Crosswalk Report). Plans that have received approval will see a second crosswalk chart on this report labeled "Approved MARx enrollment transaction exceptions."

Only certain, limited renewal scenarios and certain limited service area reduction scenarios will require Plan-submitted actions. Most renewal/non-renewal scenarios do not. Do not submit transactions to accomplish this activity unless necessitated by your organizations' approved renewal/non-renewal scenario.

The accuracy and timeliness of the Plan-submitted activity is critically important. CMS will monitor plans with CMS-approved crosswalk exceptions that require enrollment or disenrollment activity. Failure to comply with all of the requirements below, and any other CMS direction for this activity, will be referred to CMS account managers for review.

### **(1) Plan-Submitted Rollover (Enrollment) Actions:**

A Plan-submitted rollover (enrollment) MARx transaction is only allowed in the case of a CMS-approved crosswalk exception scenario that requires this activity.

***On October 07, 2013 no later than 5 p.m. EDT.***

Plans that have been approved for renewal or crosswalk exceptions by CMS, that require plan-submitted rollover activity must submit MARx enrollment transactions **on October 07, 2013, no later than 5:00 p.m. EDT**, to complete the rollover of enrollees to the correct PBP (and in some cases, contract number) effective January 01, 2014. For an approved crosswalk from a CY 2013 PBP to a different PBP number within the same contract number, or in a different contract number within the same parent organization for CY 2014, Plans must use the Transaction Code 61 enrollment transaction. All Plans submitting enrollment transactions for these limited, previously-approved circumstances must submit these actions accurately on October 07, 2013, no later than 5:00 p.m. EDT in a batch submission file (or files, as necessary) separate from any other MARx submission activity. Plans must use the following specific data elements on each transaction:

Transaction code = 61

- Application date = October 01, 2013
- Effective date = January 01, 2014
- Election type code = "X"

As Plan-submitted transactions, the MARx response TRC will not have the special characteristics that CMS-generated rollover MARx actions have. The response to Plan-submitted transactions will have an enrollment source code of "B" as well as the usual response TRC per normal operations.

**(2) Plan-Submitted Non-Renewal or Service Area Reduction (Disenrollment) Actions:**

Plans that have an approved SAR may or may not be required to submit TC51 Disenrollment transactions as follows:

- If the approved SAR results in the termination of an entire PBP, CMS completes the disenrollment as described in section 2.A.
- If the approved SAR affects only a portion of a PBP, the Plan must submit the disenrollment transactions as described below:

***On October 07, 2013 no later than 5 p.m. EDT***

In limited CMS-approved circumstances, such as when an MA organization reduces the service area of a CY 2013 MA PBP or PBPs and only a portion of the PBP is affected, the MA organization must submit disenrollment transactions to disenroll only the beneficiaries from the PBP or PBPs affected by the SAR. MA organizations submitting disenrollment transactions under these circumstances **must submit MARx disenrollment transactions on October 07, 2013, no later than 5:00p.m. ET**, using the following data elements:

- Transaction Code = 51
- Effective date = January 01, 2014 (for December 31, 2013 disenrollment)
- Election type code = "X"
- Disenrollment Reason Code = 92

Plan-submitted termination (disenrollment) actions must be submitted in a batch file (or files, as necessary) separate from any other MARx submission activity. Successful transactions will receive a MARx response TRC 013 (Disenrollment Accepted As Submitted).

**(3) Plan Review of CMS Reply to Plan-Submitted Rollover and/or Termination Actions:**

***October 08, 2013***

Plans are expected to immediately review the CMS reply associated with these submissions, including the DTRR and other reports, available on October 08, 2013.

Plans must report to CMS the status of their submission based on the MARx reply reports no later than 11:59 p.m. EDT on October 08, 2013. The status report must include the total number of submitted transactions by type (i.e., Transaction Codes 61 or 51), and a summary of the results of MARx processing including the number of accepted, rejected, and failed transactions. Plans should not attach or send a copy of their Batch Completion Status Summary (BCSS) or DTRR.

It is best not to wait until immediately before the deadline to submit transactions in case TRCs fail or reject and must be corrected and resubmitted. If resubmission of any of these transactions is necessary, the Plan must request resubmission from CMS. This request must be included with the status report. In your request, include the number of transactions that you intend to resubmit. Send the status report by email, and include the resubmission request if necessary, to both the:

1. RO account manager and
2. MAPD Help Desk at: [MAPDhelp@cms.hhs.gov](mailto:MAPDhelp@cms.hhs.gov)

If resubmission is granted by CMS, the Plan must adjust and resubmit transactions before 5:00 p.m. EDT on October 11, 2013. Correct effective and application dates must be used as noted above.

**(4) Submitting January Effective Disenrollments After Rollover**

After CMS has performed the annual rollover on December 05 and December 06, 2013, Plans will be unable to submit disenrollments with an effective date of December 31, 2013, for beneficiaries that have been rolled over. These beneficiaries will have an enrollment end date of December 31, 2013, and an enrollment start date of January 01, 2014, with an enrollment source code of “D” for rollover. If a plan attempts to submit a disenrollment effective December 31, 2013 for a beneficiary falling into this category, a TRC 050 will be received because the beneficiary already has an end date of December 31, 2013.

If a beneficiary makes a valid request to disenroll effective December 31, 2013, and the plan is unable to submit the disenrollment transaction to MARx before December 05, 2013, the Plan should submit a category two submission package to the

Retro Processing Contractor via the electronic Retro Processing Transmission (eRPT) application to have the beneficiary disenrolled. This will result in a removal of the enrollment in the 2014 Plan.

### **C. Reconciliation of Rollover, Non-Renewal and Service Area Reduction Activity**

After receipt of the DTRR including CMS-Generated Rollover transaction responses on December 06 and December 07, 2013, Plans should verify that all members are enrolled in the correct contract and PBP. If a beneficiary was not rolled over according to the Plan's crosswalk information in HPMS, contact the MAPD Help Desk.

After the submission of all Plan-submitted rollover activity on October 07, 2013, no later than 5 p.m. EDT, Plans must review the DTRR on October 08, 2013. Make sure that all rollover-related enrollments and disenrollments were successful or rejected for an appropriate reason. If resubmission is necessary, you must request resubmission from CMS as detailed in section 2.B above.

After rollover activity has occurred, use all available CMS reports, such as the MMR, to reconcile CMS data with internal data. If a discrepancy is discovered, refer to the PCUG on how to correct it.

Plans are not required to send enrollment or disenrollment notification letters upon successful rollover. All rollover activity should be transparent to the beneficiary. The Annual Notice of Coverage (ANOC) and other required communications should be sent as usual.

## **3. Plan Reports and System UI Availability**

### **A. October Prescription Drug Plan (PDP) Notification Files for Reassignment**

On or about October 18, 2013, CMS will transmit to certain Plans the files described in the HPMS memorandums "2014 Reassignment of Low-Income Subsidy Beneficiaries for PDPs," and "2014 Reassignment of Low-Income Subsidy Beneficiaries in Terminating Medicare Advantage (MA) Plans and Medicare Advantage Plans that are Reducing their Service Areas" dated August 30, 2013. These files will provide a listing of LIS-eligible beneficiaries whom CMS reassigned to a new Plan effective January 01, 2014.

On or about October 18, 2013, we will transmit to certain PDPs a special TRR containing the confirmed enrollments and disenrollments resulting from the reassignment.

**NOTE:** Do not submit the 4Rx records for beneficiaries in the one-time files until you receive the special TRR on or about October 18 2013, containing the confirmed enrollments that result from the reassignment process. MARx cannot accept the 4Rx data until the enrollment is recorded.

## **B. Loss-of-Low-Income-Subsidy Data Files**

CMS sends two Loss-of-Low-Income-Subsidy data files to Part D Plans each fall. The first file is sent in September and identifies members who will no longer have LIS as of January 01, 2014. The first file is for information purposes only. In a joint mailing from CMS and SSA during the week of September 16, 2013, these persons are sent a personalized letter on grey paper explaining the loss of LIS and an SSA LIS application for Extra Help to complete and return. We expect Part D plan sponsors to contact, by phone or mail, every member who will no longer qualify automatically for LIS beginning in 2014 to encourage them to apply for Extra Help and to assist them through the process. An HPMS memo titled: “*Re-Determination of Part D Low-Income Subsidy Eligibility for 2014*” sent on July 31, 2013, contains additional information.

The second file will be sent in mid-December and will be an updated version of the September file, indicating those beneficiaries who still no longer have LIS as of January 01, 2014. The file format can be found in the PCUG. This file should be processed through normal plan processes.

## **C. Monthly Reports**

### ***December 19, 2013***

The standard monthly reports for the January payment month will be sent to Plans on or about December 19, 2013.

Plans should carefully review all CMS reports including the January 2014 MMR to ensure that all enrollees are in the correct PBP for January 2014. Please contact the MAPD Help Desk if you have any questions or identify any issues.

## **D. MARx System UI Availability**

All functions of the Medicare Advantage and Part D Inquiry System (MARx Common UI) should remain available except as noted. We anticipate the UI to be in Read-Only mode from November 11 to November 14, 2013 to enable regular December payment processing and EOY activities, and December 05 to December 06, 2013 during rollover and termination processing.

Thank you in advance for your assistance. Please take appropriate and timely action as required. If you have any questions about the information contained in this memorandum, please contact:

- The MAPD Help Desk at 1-800-927-8069 or [MAPDhelp@cms.hhs.gov](mailto:MAPDhelp@cms.hhs.gov) for MARx issues and any preparation activities or questions relating to EOY activities;
- Your Division of Payment Operations (DPO) Representative for questions regarding payment and premium adjustments (a list of DPO representative contacts is provided in the PCUG); and
- Your Account Manager for all other issues.