

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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Medicare Plan Payment Group
Innovative Healthcare Systems Delivery Group

DATE: October 23, 2013

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 the February 2014 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 preliminary information regarding the planned release of systems changes scheduled for February 2014. 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.

The February 2014 Release changes are as follows and may require Plan action:

1. [Edit Plan-Submitted Part C Premiums](#)
2. [Reporting Identified Drug Overutilizers](#)

By November 8, 2013, CMS intends to provide the detailed information that Plans will require for implementation in February 2014.

1. **Edit Plan-Submitted Part C Premiums**

Plans submit Part C premium amounts to MARx when members elect optional supplemental benefits. Currently, MARx determines whether the submitted amounts fall within the range of acceptable Part C premiums for the specified Plan Benefit package (PBP). MARx currently accepts premium amounts that include pennies. However, the Social Security Administration (SSA) and the Railroad Retirement Board (RRB) ignore the pennies in the premium amounts.

As a result, MARx records a different Part C premium amount than SSA or RRB withheld and sent to CMS, so the premiums are not sent to the Plans.

Effective with the February 2014 release, MARx begins editing to detect if a submitted Part C premium amount includes pennies, and rounds any pennies to the nearest dime.

- Example 1: If a Plan submits \$25.55; MARx converts the premium to \$25.60.
- Example 2: If a Plan submits \$25.51; MARx converts the premium to \$25.50.

This change also updates two transaction reply codes (TRCs):

- TRC 119 – Premium Amount Change Accepted – is now only received when MARx accepts the Part C premium amount as submitted by the Plan.
- TRC 182 – Invalid Part C Amount Submitted Corrected, Accepted – is received if MARx changes the Part C premium submitted by the Plan. This occurs if the submitted amount does not fall within the range of acceptable Part C premiums for the PBP or contains pennies.

2. Reporting Identified Drug Overutilizers

In contract year 2013, Part D Plan sponsors are required to identify beneficiaries who are overutilizing opioids and, after providing a 30-day notice to the beneficiary, to implement a beneficiary-level edit at the Point of Sale (POS). Currently, sponsors are required to notify CMS when implementing a beneficiary-level POS edit by e-mailing the beneficiary's name, address, date of birth, and Health Insurance Claim Number (HICN) along with a copy of the notification letter to the central office mailbox, PartDPolicy@cms.hhs.gov, and the CMS account manager. Currently this process is manual. Effective with the February 2014 release:

- Plans will be required to enter into MARx (through either a user interface or batch submission (new transaction type of 90)) opioid POS edit information for beneficiaries enrolled in their plans. The information to be entered will include drug class, POS edit type, and dates for when the beneficiary is notified of the beneficiary-level POS edit or when the edit is implemented, modified and/or terminated.
- Sponsors will receive information, via a transaction reply report (TRR) when a beneficiary enrolls in their plan and that beneficiary had an active POS edit in their previous plan.
- New TRCs will be developed and details will be provided through HPMS closer to the release date.

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.