

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Center for Medicare  
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## **MEDICARE PLAN PAYMENT GROUP**

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**DATE:** October 24, 2012

**TO:** Medicare Advantage Organizations

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

**SUBJECT:** Additional Year-End Guidance Regarding Segmented Plans

With the implementation of the November software release, the MARx system will be able to default the assignment of a Segment ID based upon an enrollee's resident State and County Code (SCC). This should make it easier for plans to maintain the correct Segment ID assignments for their enrollees. However, this enhancement does not eliminate the need for plans to submit transactions assigning Segment IDs in every circumstance.

If a plan is segmented in 2012 and 2013 and the service areas for these segments have not changed, the plan is not required to take any additional action. In addition, a plan is not required to take any additional action if it is segmented in 2012 but not in 2013.

However, if a plan is segmented in both years but the service areas of the segments have changed for 2013, the plan must submit transactions to establish Segment IDs for continuing enrollees for 2013. In this situation, a plan must submit either a residence address change transaction (TC76) or a Segment ID change transaction (TC77) effective January 1, 2013.

If you have further questions on this topic, please send an email to [CPC\\_DPO@cms.hhs.gov](mailto:CPC_DPO@cms.hhs.gov) with "Segment ID Question" in the subject.