

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



CENTER FOR MEDICARE
OFFICE OF INFORMATION TECHNOLOGY

DATE: September 17, 2020

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

FROM: Jerry Mulcahy
Director, Medicare Enrollment & Appeals Group

Jennifer Shapiro
Director, Medicare Plan Payment Group

Cathy Carter
Director, Enterprise Systems Solutions Group

SUBJECT: End-of-Year 2020 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) 2021. 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
3. Plan Reports and System User Interface (UI) Availability.

This memorandum provides all Medicare Advantage (MA) organizations, Prescription Drug Plan (PDP) 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 processing activities and the transition to CY 2021. The dates and information included in this memorandum are final. Any other necessary changes impacting plans will be communicated promptly.

The items outlined in this memorandum regarding the 2020 EOY processing schedule and activities for the transition to CY 2021 are categorized into three major areas as shown below.

- 1. Medicare Advantage & Prescription Drug (MARx) System Transaction Processing**
 - A. Plan Enrollment and Disenrollment Transaction Submission Schedule
 - B. Submitting Enrollment (Transaction Code 61) and Disenrollment (Transaction Code 51) Transactions with January 1, 2021 Effective Dates
 - C. Part C Premium Processing (Transaction Code 78)
 - D. Premium Payment Option (PPO) Processing (Transaction Code 75)
 - E. Submissions of 2021 4Rx Data and Updates to Payer Sheets for 2021
 - F. Payment Information for Plans Non-Renewing for 2021
 - (1) Access to CMS Systems and Reports
 - (2) Retroactive Payment Adjustments
 - (3) Final Settlement
 - G. Automatic 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) Actions
 - (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 Activity
- 3. Plan Reports and System User Interface (UI) Availability**
 - A. October PDP Notification Files for Reassignment and for Auto/Facilitated Enrollment
 - 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 Schedule

Key Date Summary:

Date	Item
October 3, 2020	Plans can begin submitting 2021 enrollment effective dates
	Plans that are approved for renewal or crosswalk exceptions by CMS that require plan-submitted EOY activity must submit MARx transactions by this date (See section 2.B)
October 9, 2020	October plan data due date
October 11, 2020	CMS conducts reassignment runs
October 14, 2020	Plans will receive special Transaction Reply Reports (TRRs) and other reports containing reassignment activity and reassignment letters sent to beneficiaries
October 15, 2020	Annual Enrollment Period (AEP) begins
November 2 & 3, 2020	CMS conducts CMS-generated rollover processing

Date	Item
November 6, 2020	November plan data due date
November 9, 2020	Transactions 75 and 78 with an effective date of 1/1/2020 will not process if submitted before this date.
December 4, 2020	December plan data due date
December 7, 2020	AEP ends
January 8, 2021	January plan data due date

October 9, 2020

As noted in the chart above, the October 2020 plan data due date (MARx “cut off”) is October 9, 2020. This date allows time for EOY transition activity and preparations for the start of the AEP on October 15, 2020.

November 6, 2020

Due to EOY processing, CMS will place all batch files that MARx receives beginning immediately after the November 2020 plan data due date on November 6, 2020, into a holding status. These files will be held until the 2021 payment configuration tasks are complete. CMS will begin to process the files in the order received beginning on or about November 14, 2020. Plans can also expect to begin receiving their Daily Transaction Reply Reports (DTRR) at that time.

January 8, 2021

The plan data due date for January 2021 is January 8, 2021. The CY 2021 MARx Plan Monthly Schedule is available at <https://www.cms.gov/Research-Statistics-Data-and-Systems/CMS-Information-Technology/mapdhelppdesk/MAPD-MARx-Calendars-and-Schedules.html>.

Plans are requested to submit transactions early and frequently to meet the seven-day submission requirement per CMS’ enrollment guidance. Plans must promptly reconcile all submissions and responses.

B. Submitting Enrollment (Transaction Code 61) and Disenrollment (Transaction Code 51) Transactions with January 1, 2021 Effective Dates

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

Requests Received October 1, 2020 through October 3, 2020, for January 2021

Valid requests for enrollment effective January 1, 2021, received from October 1, 2020 through October 3, 2020, must be internally processed by the plan as usual; however, the MARx transaction must be held and submitted beginning October 3, 2020. The correct values for the election type code (election period identifier) and the application date field must be used.

Note: When calculating plans’ timeliness for enrollment applications dated October 1 through October 3, 2020, CMS counts enrollment transactions as timely if they are submitted October 3 through October 9, 2020 (the seven days will begin on October 3, 2020).

If a plan submits enrollment transactions effective January 1, 2021, before October 3, 2020, 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 Plan Benefit Package (PBP) Number)

Beginning on October 3, 2020

Plans may begin to submit enrollment (and disenrollment) transactions for valid January 1, 2021 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.

On October 15, 2020

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, 2020. **Plans must use October 15, 2020, 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. Part C Premium Processing (Transaction Code 78)

To reduce the number of Part C Premium Change transactions (TC 78) to be processed for existing enrollments at year end, the MARx system will automatically populate beneficiary records with the 2021 premium amount for a plan benefit package – any premiums for basic and mandatory supplemental benefits -- from the Health Plan Management System (HPMS). MARx will perform this update for all existing enrollees, including 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 Part C Premium Change transactions for existing enrollments, since MARx will already be using the premium amount without the optional supplemental benefits. For enrollees who elect optional supplemental benefits with 2021 effective dates, Part C plans are required to submit Part C Premium Change transactions (TC 78) with the correct Part C premium amounts (i.e., any premiums for basic and/or mandatory supplemental benefits, plus premiums for optional supplemental benefits).

Plans must not submit these transactions before November 9, 2020. Part C Premium Change (TC 78) transactions for effective date January 2021 must be submitted to MARx beginning

November 9, 2020, and ending on the December plan data due date of December 4, 2020, in order to be reflected in the January 2021 payment.

If a plan misses the December 4, 2020 plan data due date, MARx will accept and process plan submitted Part C Premium Changes (TC 78, effective January 1, 2021), until the plan data due date of February 5, 2021.

The 2021 payment/premium configurations will be processed between November 9 and November 13, 2020. After configurations are established, the Part C Premium/PPO transactions will be processed.

No Premiums Due

For enrollees who may have been inadvertently put into a “No Premium Due” status, the “No Premium Due Data File” should be made available during the second full week of November. Plans should wait until then before submitting transactions for those enrollees.

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.

End of Year Premium and Premium Payment Option processing for CMS-generated rollovers

CMS will process CMS-generated rollover and termination actions on November 3 and 4, 2020. During this time, CMS will move members (or “rollover” membership) between PBPs where necessary and, in some circumstances, between contract numbers as specified in the HPMS Crosswalk.

Because the 2021 CMS-generated rollover process is executed prior to when the 2021 Payment/Premium data is loaded to the MARx databases, the MARx premium process will assess the prior year’s Part C premium amount to the new plan’s Part C premium amount. If the premium amount is inconsistent between the two plans, MARx will use the minimum Part C premium amount from the new plan and also change the PPO to direct bill. The plan is notified via the DTRR, with a TRC 144 – PPO Changed to Direct Bill, and TRC 182 – Invalid Pt C Premium Submitted Corrected, Accepted.

In these cases, plans should submit both a Part C Premium Change (TC 78) and a Premium Payment Option Change (TC 75) transaction for 2021.

D. Premium Payment Option (PPO) Processing (Transaction Code 75)

New premium withholding requests must be submitted by CMS to either the Social Security Administration (SSA) or Railroad Retirement Board (RRB) for confirmation before taking effect on January 1, 2021.

Plans **must not** submit these transactions before November 9, 2020. Premium Payment Option Change (TC 75) transactions for effective date January 2020 must be submitted to MARx beginning November 9 and end on the December plan data due date of December 4, 2020.

Plan PPO changes submitted to MARx after the plan data due date of December 4, 2020, will be set to “direct bill” for January 2021. The plan will be notified of this via the DTRR, with a TRC 144 – PPO Changed to Direct Bill.

E. Submission of 2021 4Rx Data and Updates to Payer Sheets for 2021

CMS-Generated Enrollments: PDPs 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 plan’s receipt of the special DTRR reporting these enrollments. The plan Communications User Guide (PCUG) provides detailed information for sponsors to follow in submitting 4Rx data to CMS.

CMS has scheduled the processing of the 2021 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: PDPs will receive a special DTRR in late-October reporting reassignment transactions. For these reassignment transactions, sponsors must submit the 4Rx data within 72 hours of receipt of the special DTRR. 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 DTRR.

4Rx Data Changes: CMS also reminds PDPs to submit updated 4Rx data for all beneficiaries whose 4Rx data is changing for any reason (for example, when a PDP 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 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 2021, 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, PDPs are reminded to update their payer sheets to reflect any billing changes associated with their 2021 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.

F. Payment Information for Plans Non-Renewing for 2021

(1) Access to the Medicare Advantage/Prescription Drug System (MARx) and Reports:

In order to comply with federal privacy and security laws and guidance, CMS must disable system access for all users when a contract has ended. Access to the Medicare Advantage/Prescription Drug system (MARx) will be disabled 60 days after a contract ends and will no longer transmit MARx monthly payment reports (i.e. Daily Transaction Reply Data File, Monthly Membership Data File, Plan Payment Report) to organizations/sponsors. CMS will cease the distribution of the monthly Plan Payment Report (PPR) after December 31, 2020.

(2) Access to the Health Plan Management System:

Plans may retain access to HPMS in order to perform reporting functions (e.g., DIR, MLR, risk adjustment overpayments, cost reports, and complaint resolution) that continue after the CMS contract has ended. Users must complete the annual user recertification process and maintain their password to retain their CMS user ID.

(3) Retroactive Payment Adjustments:

Organizations/sponsors that need to submit retroactive enrollment or disenrollment transactions, and State and County Code changes that can cause a retroactive payment adjustment after non-renewal/termination should submit corrected information to the Retroactive Processing Contractor (RPC) within 45 days from the date of its last MARx monthly payment reports. The requested corrections will be verified and, if verified, applied to the Plan's member records. Payment adjustments calculated based on information updated by the RPC will be included in the Plan's final settlement payment.

(4) Final Settlement:

CMS's final settlement process lasts for a minimum of 18 months after the end of the calendar year in which the contract ended with CMS. As part of the final settlement process, it is important for plans to understand that all applicable reconciliations must process before CMS will officially calculate, disburse, or collect any final settlement payment. Therefore, no payment disbursements or collections will occur between any reconciliation. For contracts ending in 2020, these reconciliation processes include:

- 1) 2020 Final Risk Adjustment reconciliation;
- 2) 2020 Part D annual reconciliation;
- 3) 2020 Coverage Gap Discount Program annual reconciliation; and
- 4) 2020 Medical Loss Ratio remittance.

Plans can expect to receive a final settlement package from CMS after July 2022 explaining whether the plans will receive or owe CMS a settlement payment. In part of delivering the final settlement package to the organizations/sponsors, CMS will include all the Monthly Membership Reports (MMRs) created from the time the contract ended until the month the final settlement was processed. These reports will include details for retroactive payment adjustments that accumulated after the contract ended. Note that the MMRs will contain a beneficiary's Medicare Beneficiary Identifier (MBI).

However, it is important to note that plans that fail to comply with their remaining data submission requirements may delay the receipt of their final settlement payment. Questions regarding the final settlement process may be emailed to Aliza.Kim@cms.hhs.gov.

G. Automatic Assignment of Segment IDs in the MARx System

CMS automates the assignment of Segment IDs for segmented MA organizations. 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 DTRR.

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.

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 system-derived one. 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. The default segment will be the segment with the lowest premiums.

Additionally, CMS may change a beneficiary's Segment ID when notified that the beneficiary's address has changed. The newly 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, the beneficiary is assigned the default Segment ID.

If premium withholding is requested on the enrollment transaction or the premium payment option transaction for a beneficiary assigned to a default Segment ID, it will be considered as having an out of area status, and the beneficiary's Premium Payment Option automatically changes to "Direct Bill." This will generate TRC 393 (PPO changed to Direct Bill; Out of Area). 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 organizations to default Segment ID assignments and reassignments of Segment IDs due to changes in the SCC through defined TRCs on the DTRR.

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

The segment assignment process will include service area expansions. If a plan expands the service area of a PBP, MARx will detect this change. If applicable, MARx will move impacted beneficiaries from a default segment to a segment that now contains the SCCs of their addresses and plans will receive 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 2020 to CY 2021 does 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 2020. 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.E 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:

November 3 and 4, 2020

CMS will process CMS-generated rollover and termination actions on November 3 and 4, 2020. 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 1, 2021. The CMS-generated rollover process can accommodate the following scenarios:

- All enrollees in one 2020 PBP moving to a single new 2021 PBP.
- All enrollees in multiple 2020 PBPs moving to one single PBP for 2021.
- Certain contract-to-contract consolidations where whole PBPs are cross-walked.
- Termination (or non-renewal) of whole PBPs and/or whole contracts.

November 5 and 6, 2020

The transactions created by CMS-generated rollover and termination will appear on the normal November 5 and/or November 6, 2020 DTRR. CMS-generated rollover enrollment transactions will have a response of TRC 100, an effective date of January 1, 2021, 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 1, 2021.

Plans that are non-renewing their entire contract as of December 31, 2020, as well as plans that are renewing their contracts but terminating an entire PBP (or multiple PBPs), as of December 31, 2020, do not need to submit MARx disenrollment transactions (TC 51) to complete the disenrollment effective December 31, 2020. 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, 2020. For example, plans must process a valid request for a disenrollment that is effective November 30, 2020, and submit a TC 51 disenrollment transaction to report that disenrollment. A 2020 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 1, 2020, or December 1, 2020, 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 1, 2020, or December 1, 2020, as applicable, and an enrollment into the cross-walked plan, effective January 1, 2021, on the same DTRR. CMS will automatically generate the enrollment into the 2021 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 2021 plan occurs.

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

If a plan received approval from CMS for a CY 2021 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 2021 crosswalk exceptions require plan-submitted MARx transactions, plans should access the Plan Crosswalk Report in HPMS (HPMS > Contract Reports > CY 2021 > Plan Crosswalk Report). Plans that have received approval will see a second crosswalk chart with the approved MARx enrollment transaction exceptions.

Only certain, limited renewal scenarios and certain limited service area reduction (SAR) 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 Management 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 3, 2020, 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 3, 2020, no later than 5 p.m. EDT**, to complete the rollover of enrollees to the correct PBP (and in some cases, contract number) effective January 1, 2021. For an approved crosswalk from a CY 2020 PBP to a different PBP number within the same contract number, or in a different contract number within the same parent organization for CY 2021, plans must submit one or more Plan Submitted Rollover (POVER) special batch files. Before submitting a POVER file, the plan must submit a Special Batch File Request. For details on how to submit the request and how to submit the POVER file, please refer to <https://www.cms.gov/Research-Statistics-Data-and-Systems/CMS-Information-Technology/mapdhelppdesk/Downloads/MAPD-POVER-Process.pdf>.

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 3, 2020, no later than 5 p.m. EDT** in a POVER 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 1, 2020
- Effective date = January 1, 2021
- Election type code = “C”
- Enrollment source code = “N”

(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 TC 51 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

For additional information, consult the 2020 “Plan Crosswalk Report” in HPMS. This report details the plan actions that need to be taken (if any) for each PBP.

On October 3, 2020, 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 2021 MA PBP/ 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/PBPs affected by the SAR. MA organizations submitting disenrollment transactions under these circumstances **must submit MARx disenrollment transactions on October 3, 2020, no later than 5 p.m. EDT**, using the following data elements:

- Transaction Code = 51
- Effective date = January 1, 2021 (for December 31, 2020 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).

New enrollments into a SAR Plan

If, after rollover occurs and manual disenrollment transactions have been submitted, a beneficiary elects to join a plan that will no longer be available to them due to a SAR in 2021, a manual disenrollment will need to be submitted. For example, if a beneficiary joins a plan for an effective date of November 1, 2020, but that plan will not be available to the beneficiary in 2021 due to a SAR, the plan should immediately disenroll that beneficiary effective January 1, 2021, after the enrollment is submitted. Even though the plan won’t be available to the beneficiary in only two months, the beneficiary may still have a valid election to enroll in the plan before the SAR. Immediately following the receipt of the DTRR with the enrollment acceptance TRC, the plan should submit a disenrollment transaction using the following data elements:

- Transaction Code = 51
- Effective date = January 1, 2021 (for December 31, 2020 disenrollment)
- Election type code = “X”
- Disenrollment Reason Code = 99

All other guidance regarding terminations, SARs, and disenrollments, including notification to the beneficiary, still apply.

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

October 4, 2020

Plans are expected to review the CMS reply associated with these submissions, including the DTRR and other reports, available on October 4, 2020.

The plan must adjust and resubmit transactions before October 9, 2020 at 5 p.m. EDT. Correct effective and application dates must be used as noted above. Please do not wait until the deadline to conduct your plan review.

(4) Submitting January Effective Disenrollments after Rollover

After CMS has performed the annual rollover on November 3 and 4, 2020, plans will be unable to submit disenrollments with an effective date of December 31, 2020 for beneficiaries that have been rolled over. These beneficiaries will have an enrollment end date of December 31, 2020, and an enrollment start date of January 1, 2021, with an enrollment source code of “D” for rollover. If a plan attempts to submit a disenrollment effective December 31, 2020 for a beneficiary falling into this category, a TRC 050 will be received because the beneficiary already has an end date of December 31, 2020.

If a beneficiary makes a valid request to disenroll effective December 31, 2020, and the plan is unable to submit the disenrollment transaction to MARx before December 4, 2020, the plan should submit a category two submission package to the RPC via the Electronic Retroactive Processing Transmission (eRPT) application to have the beneficiary disenrolled. This will result in a removal of the enrollment in the 2021 plan.

C. Reconciliation of Rollover Activity

After receipt of the DTRR, including CMS-Generated Rollover transaction responses on November 3 and 4, 2020, 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 3, 2020, no later than 5 p.m. EDT, review the DTRR on October 4, 2020. Ensure 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 Monthly Membership Report (MMR) and DTRR, to reconcile CMS data with internal data. If a discrepancy is discovered, refer to the PCUG for 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 User Interface (UI) Availability

A. October PDP Notification Files for Reassignment and for Auto/Facilitated Enrollment

On or about October 14, 2020, CMS will transmit to certain plans the files described in the forthcoming HPMS memoranda "2021 Reassignment of Low-Income Subsidy Beneficiaries for PDPs" and "2021 Reassignment of Low-Income Subsidy Beneficiaries in Non-Renewing Medicare Advantage (MA) Plans and Medicare Advantage Plans that are reducing their Service Areas." These files include the reassignment notification file (also called the address file). They will provide a listing of low-income subsidy (LIS)-eligible beneficiaries whom we will reassign to a new plan effective January 1, 2021.

On October 14, 2020, we will transmit to certain PDPs a special MARx-generated TRR containing the confirmed enrollments and disenrollments resulting from the reassignment.

NOTE: Use the special TRR that will be issued on October 14, 2020 to submit 4Rx data. This file will contain 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 (LIS) Data Files

CMS sends two Loss of LIS data files to PDPs each fall. The first file is sent in October and identifies members who will no longer have the LIS as of January 1, 2021. The first file is for information purposes only. During the week of September 16, 2020, CMS and SSA jointly mailed these individuals personalized letters printed on grey paper explaining the loss of LIS and an SSA LIS application for Extra Help for them to complete and return.

We expect PDPs to contact, by phone or mail, every member who will no longer qualify automatically for LIS beginning in 2021 to encourage them to apply for Extra Help and to assist them through the process. An HPMS memorandum titled “Re-Determination of Part D Low-Income Subsidy Eligibility for 2021” contains additional information.

The second file will be sent in mid-December and will be an updated version of the October file, indicating those beneficiaries who still no longer have the LIS as of January 1, 2021. The file format can be found in the PCUG. This file should be processed through normal plan processes.

C. Monthly Reports

The standard monthly payment reports for January 2021 will be sent to plans on or about December 22, 2020. Plans should carefully review all CMS reports including the January 2021 MMR to ensure that all enrollees are in the correct PBP. Please contact the MAPD Help Desk for questions and problems.

D. MARx System UI Availability

The Medicare Advantage Prescription Drug System (MARx) User Interface (UI) is scheduled to remain available. The MARx UI will be in “Read-Only” mode on November 3 and 4, 2020, during rollover and termination processing. We anticipate the MARx UI to also be in “Read-Only” mode from November 7-13, 2020 to enable regular December payment processing as well as EOY activities.

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 for MARx issues and any preparation activities or questions relating to EOY activities or
- Account Managers for all other issues.