

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



CENTER FOR MEDICARE

DATE: August 28, 2020

TO: All Medicare Advantage Organizations, Prescription Drug Plans, Cost Plans, PACE Organizations, and Demonstrations

FROM: Jennifer R. Shapiro, Medicare Plan Payment Group

SUBJECT: Medicare Advantage/Prescription Drug System (MARx) September 2020 Payment – INFORMATION

This letter provides information about the September 2020 Medicare Advantage/Prescription Drug payment, which is scheduled for receipt on September 1, 2020.

National Medicare Education Campaign (NMEC) / Coordination of Benefits (COB) User Fees for 2020

Per section 1857(e)(2) of the Social Security Act, plans will be charged cost-sharing for enrollment-related costs (the NMEC fee). For the September payment only, in order to finish collecting the required MA-PD National Medicare Education Campaign (NMEC) user fee of \$80.3M and the PDP NMEC user fee of \$12.8M in FY 2020, the collection percentages have changed for the September payment. The percentage used for the MA-PD NMEC was lowered from 0.034% to 0.015%, and the percentage used for the PDP NMEC was raised from 0.032% to 0.074%. The monthly Coordination of Benefits (COB) user fee rate remains the same at \$0.1166 cents per Part D member.

Important Notice Regarding End Stage Renal Disease (ESRD) Payment Cases

In July 2019, CMS developed a process to expedite the processing of ESRD payment cases where an ESRD period is missing or incorrect through the Quality Net Help Desk. Effective immediately, the Quality Net Help Desk will no longer accept inquiries nor handle tickets related to correcting ESRD periods.

Going forward, plans should contact the MAPD Help Desk with new ESRD payment cases. The MAPD Help Desk and the Division of Payment Operations (DPO) in the Medicare Plan Payment Group (MPPG) will address tickets relating to missing or incorrect periods that result in incorrect payments for ESRD beneficiaries.

Sequestration

As stated in the May 2020 Medicare Advantage/Prescription Drug System (MARx) Payment memo, released April 22, 2020, Section 3709 of the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”), enacted on March 27, 2020, temporarily suspends sequestration of Medicare programs between May 1, 2020 and December 31, 2020, which we will refer to as the “sequestration suspension period.” As a result, the Centers for Medicare & Medicaid Services (CMS) will suspend the application of the two percent payment reduction that would otherwise apply to Medicare Advantage (MA), Programs of All-Inclusive Care for the Elderly (PACE), Medicare-Medicaid Plans (MMPs), section 1876 and 1833 cost-based Managed Care Organizations (MCO), and Part D payments for enrollment periods that fall within the given sequestration suspension period. Specifically, for September 2020, CMS will suspend the application of sequestration for the payments made for September 2020 enrollment, and for any adjustments made to payments made for May through August 2020 enrollments. CMS will continue to apply sequestration to payment adjustments made for months prior to the beginning of the sequestration suspension period.

Changes to MARx Plan Transaction Processing

Batch Input Transaction Data File Name

As announced in the *May 2019 Detailed Release Memo*, issued through the Health Plan Management System (HPMS) on 04/11/2019, CMS installed changes so that the Enterprise Identity Management (EIDM) User ID is used when sending the Batch Input Transaction Data File to MARx. In order for the Batch Input Transaction Data File to process successfully, and to receive a Batch Completion Summary Report (BCSS), plans should not submit files with the same date and time in the file name. This will cause a MARx system error and prevent the system from generating the BCSS.

Extension of the Transition Period for Submitting MARx Batch Input Header Record

CMS has extended the transition to December 31, 2020 for plan submitters to use both the old and new MARx Batch Input Detail submission files.

Questions or concerns about any of the information within this letter should be directed to the MAPD Help Desk at MAPDHelp@cms.hhs.gov, or 1-800-927-8069.