

MEDICARE ENROLLMENT & APPEALS GROUP

DATE: July 22, 2021

TO: All Medicare Advantage (MA) Plans, Medicare Advantage Prescription Drug (MA-PD) Plans, Prescription Drug Plans (PDP), Cost, Program of All-Inclusive Care for the Elderly (PACE), and Demonstration Organizations

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SUBJECT: Technical Guidance for the July 24, 2021 MARx Software Release – Special Election Period (SEP) Reason Code

The Centers for Medicare & Medicaid Services (CMS) implements software changes to the enrollment and payment systems that support MA, MAPD, PDP, Cost, PACE, and Demonstrations. This memorandum is the same information we shared in the e-mail issued on 7/2/2021 via MAPD Help Desk email for the system change announced in the April 27, 2021 memo titled “Announcement of the July 24, 2021 Software Release – Special Election Period (SEP) Reason code.” This software will be released as scheduled on July 24, 2021. Please refer to the guidance below for additional [instructions for updating the SEP Reason Codes via the MARx User Interface \(UI\)](#).

Updated attachments associated with this systems change are as follows:

- New Transaction Codes (TC) 93 and 94 ([Attachment A](#))
- Update to the Batch Completion Status Summary (BCSS) Report ([Attachment B](#))
- New Transaction Reply Codes (TRCs): 399, 400, 401, 402, and 725 ([Attachment C](#))
- Update to the List of SEP Reason Codes ([Attachment D](#))
- Update to Daily Transaction Reply Report (DTRR) Layout ([Attachment E](#))

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 mapdhelp@cms.hhs.gov.

Instructions for Changing SEP Reason Codes on the MARx UI

Authorized Plan users can update an incorrectly submitted SEP Reason Code using the MARx UI.

How to Update SEP Reason Codes using the MARx UI

To update SEP Reason Codes using the MARx UI, the user should follow these steps:

- Navigate to the “Welcome (M101)” screen, select "Beneficiaries" tab at the top of the screen.
- On the “Beneficiaries: Find (M201)” screen, enter the beneficiary’s MBI in the Beneficiary ID box.
- Click the "Find" button.
- On the “Beneficiaries: Search Results (M202)” screen, click the "Update Enrollment" link on the right of the screen. The “Update Enrollment (M212)” screen will display.
- Find the enrollment that needs to be changed.
 - Click the "MORE" button for the enrollment that needs to be changed. The screen will display the enrollment for each of the beneficiaries that the user has permission to access. By clicking the "MORE" button that corresponds to the desired enrollment, the Additional Update Enrollment Information (M230) screen will pop up. On this screen, users can update both Enrollment and the Disenrollment SEP Reason Codes.

Additional Update Enrollment Information (M230) Screen

MBI #XXXXXXX XXXXXXXX XXXXXXXX, XX XXXXX-XXXX State: XX (XX)

Update Enrollment | Update Premiums | Update Rx Insurance | Update Residence Address | Update Personal Information

Additional Update Enrollment Information (M230) Role: MCO REPRESENTATIVE W/ UPDATE Date: 3/19/2021

Enrollment for Contract H3952, PBP Number 045, Segment Number 000, starting 11/01/2020

Select "Save and Return to Update Enrollment" to preserve your updates and return to the M212 screen.
Updates made on this screen will be validated against the other enrollments and submitted when you select "Submit" on the M212 screen.

Election Period	
Enrollment Election Type	Enrollment SEP Reason Code Group
S - SPECIAL ELECTION PERIOD (SEP)	GENERAL
Disenrollment Election Type	Disenrollment SEP Reason Code Group
S - SPECIAL ELECTION PERIOD (SEP)	TERMINATIONS

Enrollment SEP Reason Code	Disenrollment SEP Reason Code
33 - BENES AGE 65 (SEP65)	Select 11 - CMS TERM OF CONTRACT 12 - TERM/CNTRCT MOD MUTUAL CONSENT

Other

EGHP ☐ ESRD Override ☐ Enroll Override ☐ Employer Subsidy Enrollment Override ☐ Enrollment Source B - BENEFICIARY ELECTION ☐ Part D AE-FE Opt-Out ☐ MMP Opt-Out ☐

Save and Return to Update Enrollment | Return without Saving | Reset

After making changes on the Additional Update Enrollment Information (M230) Screen, click "Save and Return to Update Enrollment" to return to the Update Enrollment (M212) Screen. Then click "Submit" on the M212 screen.

Layout and Validation Table for Transaction Types 93 and 94

The following layout and validation table applies to the following transaction types:

1. Transaction Type 93 - Update Enrollment SEP Reason Code
2. Transaction Type 94 - Update Disenrollment SEP Reason Code

MARx Batch Input Detail – Enrollment Transaction – TC 93 and 94					
Item	Field	Size	Position	Validation (Edits and TRCs for the transaction fields)	Is Item Required, Optional, or N/A
1	Beneficiary Identifier	11	1-11	<p>Reject the transaction with TRC007 if the MBI is not valid:</p> <p>MBI is an 11-position value. The 2nd, 5th, 8th and 9th positions are alphas. The string must contain NO embedded spaces.</p> <p>Reject the transaction with TRC 008 if the beneficiary identifier is not found.</p>	Required
2	Filler	1	12	N/A	Required
3	Surname	12	13-24	Reject the transaction with TRC 004 if the field is blank and the First Name field is also blank.	Required
4	First Name	7	25-31	Reject the transaction with TRC 004 if blank and the Surname field is also blank.	Required
5	M. Initial	1	32	N/A	Optional
6	Gender	1	33	If the value is not '1' = male or '2' = female, do not reject the transaction and set the value to unknown ("0").	Required
7	Birth Date	8	34-41	<p>Format (YYYYMMDD)</p> <p>Fail the transaction with TRC 257 if the date is not formatted correctly or contains an invalid month or day and there is no beneficiary match.</p> <p>Reject the transaction with TRC 006 if the date is non-blank, formatted correctly but is less than 1870, or greater than the current year and there is no beneficiary match.</p> <p>Note: The beneficiary is considered matched if three out of four personal characteristics match (and the input claim number was found on the database.) If the beneficiary is matched the invalid or incorrect birth date is ignored.</p>	Required

MARx Batch Input Detail – Enrollment Transaction – TC 93 and 94					
Item	Field	Size	Position	Validation (Edits and TRCs for the transaction fields)	Is Item Required, Optional, or N/A
8	Filler	1	42	N/A	N/A
9	PBP #	3	43-45	Reject with TRC 107 if the Contract/PBP combination does not exist.	Required
10	Election Type	1	46	Reject with TRC 104 if the value is not ‘S’.	Required
11	Contract ID	5	47-51	The election period’s enrollment contract. Fail with TRC 003 if the field is blank or the contract does not exist.	Required
12	Filler	8	52-59	N/A	N/A
13	Transaction Code	2	60-61	Value is “93” or “94”. Use transaction type code TC 93 to update an Enrollment SEP Reason Code Use transaction type code TC 94 to update a Disenrollment SEP Reason Code	Required
14	Filler	2	62-63	N/A	N/A
15	Effective Date	8	64-71	Format (YYYYMMDD) Fail the transaction with TRC 258 if the date is blank, not formatted correctly, or contains an invalid month or day. Reject the transaction with TRC 037 if the year is less than 1966 or greater than the current year +1, or the day is not the first of the month (“01”).	Required
16	Segment ID	3	72-74	Optional	Optional
17	Filler	26	75-100	N/A	N/A
18	SEP Reason Code	2	101-102	If the transaction type code is TC 93, validate the Enrollment SEP Reason code. If the transaction type code is TC 94, validate the Disenrollment SEP Reason code. Reject the transaction with TRC 401 if SEP Reason Code is invalid.	Required
19	Filler	107	103-209	N/A	N/A
20	Plan Assigned Transaction Tracking ID	15	210-224	Optional field; Do not validate	Optional

Attachment A – Layout and Validation Table for Transaction Types 93 and 94

MARx Batch Input Detail – Enrollment Transaction – TC 93 and 94					
Item	Field	Size	Position	Validation (Edits and TRCs for the transaction fields)	Is Item Required, Optional, or N/A
21	Filler	76	225-300	N/A	N/A

NOTE: Use blanks for all fields marked as ‘N/A’.

Update to the Batch Completion Status Summary (BCSS) Report

When a batch file submitted by a Plan is processed, MARx sends a BCSS Report as a type of receipt summarizing the transactions that were completed. The BCSS will now include a count of transactions of Type 93 and 94 that were processed.

Transaction Count Records (C1 – C5) report the total number of records that were submitted for each transaction code (T51, T61, etc.), with ‘TXX’ reporting the number of transactions that were submitted with invalid transaction codes. To accommodate the new transaction codes T93 and T94, transaction count records C2 – C4 have been reformatted to allow five transaction types per row, with T93 and T94 appearing at the end of C4.

Below is an example of a portion of a BCSS as it will appear after July 24, with the modified records appearing in red.

Example of the Updated BCSS Report

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H1 TRANSACTIONS RECEIVED ON 2021-02-18 AT 15.30.00
H2 TRANSACTIONS PROCESSED ON 2021-04-13 AT 17.51.17
H3 ENROLLMENT SERVICE PROCESSING COMPLETED
H4 HEADER CODE= AAAAAAHEADER
H5 HEADER DATE= 122020
H6 REQUEST ID =
H7 BATCH ID   = 0038282794
H8 USER ID    = IDM User ID

C1 TRAN CNTS1 = 00000019 T01 0000000 T51 0000000 T61 0000019 T72 0000000 T73 0000000
C2 TRAN CNTS2 =          T74 0000000 T75 0000000 T76 0000000 T77 0000000 T78 0000000
C3 TRAN CNTS3 =          T79 0000000 T80 0000000 T81 0000000 T82 0000000 T83 0000000
C4 TRAN CNTS4 =          T90 0000000 T91 0000000 T92 0000000 T93 0000000 T94 0000000
C5 TRAN CNTS5 =          TXX 0000000

P1 TOTAL TRANSACTIONS PROCESSED=          19
P2 TOTAL ACCEPTED TRANSACTIONS =          18
P3 TOTAL REJECTED TRANSACTIONS =           1
P4 TOTAL FAILED TRANSACTIONS   =           0

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Attachment C – New Transaction Reply Codes (TRCs)

New Transaction Reply Codes (TRCs)

The software release for MEPS-797 introduces five new TRCs related to updates to SEP Reason Codes:

- 399 SEP RSN CODE UPDATE REJECTED: INVALID PLAN TYPE
- 400 SEP RSN CODE UPDATE REJECTED: NO MATCHING ENRLMT
- 401 SEP RSN CODE UPDATE REJECTED: INVALID SEP RSN CODE
- 402 SEP RSN CODE UPDATE ACCEPTED
- 725 UI SEP RSN CODE UPDATE ACCEPTED

Eligibility and Enrollment Transaction Reply Codes				
Code	Type	Title	Short Definition	Definition
399	R	SEP RSN CODE UPDATE REJECTED: INVALID PLAN TYPE	BAD SEPRSN PLAN	<p>A submitted Update Enrollment SEP Reason Code (Transaction Type 93) or Update Disenrollment SEP Reason Code (Transaction Type 94) was rejected because the contract was not a Plan type that can submit this type of update, (i.e., the Plan type is a non-drug-COST, PACE, or MMP contract.)</p> <p>Plan Action: Since Transaction Type 93 or 94 cannot be used with the Plan Type, the transaction should not be resubmitted.</p>
400	R	SEP RSN CODE UPDATE REJECTED: NO MATCHING ENRLMT	SEP ENR NOT FND	<p>A submitted Update Enrollment SEP Reason Code (Transaction Type 93) or Update Disenrollment SEP Reason Code (Transaction Type 94) was rejected because no enrollment was found that matched the submitted transaction.</p> <p>Plan Action: Verify that the contract, PBP, and effective date are valid for an 'S' election period type code enrollment/disenrollment then resubmit with the correct contract, PBP and effective date if appropriate.</p>
401	R	SEP RSN CODE UPDATE REJECTED: INVALID SEP RSN CODE	BAD UPD SEP RSN	<p>An Update Enrollment SEP Reason Code (Transaction Type 93) or Update Disenrollment SEP Reason Code (Transaction Type 94) transaction was rejected because the SEP Reason Code was not valid for the Plan type.</p> <p>Plan Action: Resubmit with a valid SEP Reason Code. See the PCUG for a list of valid SEP Reason Codes.</p>
402	A	SEP RSN CODE UPDATE ACCEPTED	SEP RSN UPD ACC	<p>An Update Enrollment SEP Reason Code (Transaction Type 93) or Update Disenrollment SEP Reason Code (Transaction Type 94) transaction was accepted.</p> <p>Plan Action: Update the Plan's beneficiary records with the information in the DTRR.</p>
725	A	UI SEP RSN CODE UPDATE ACCEPTED	UI SEP RSN UPD	<p>An Enrollment SEP Reason Code update or a Disenrollment SEP Reason Code update transaction was submitted by CMS via the MARx UI and was accepted.</p> <p>Plan Action: Update the Plan's beneficiary records with the information in the DTRR.</p>

Updated List of MARx SEP Reason Codes

The following are the SEP Reason Codes to be used with Election Code “S-Special Election Period”.¹

SEP Reason Code	SEP Reason Code Short Description (UI)	SEP Reason Code Long Description	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	MARx/OEC Crosswalk
		Plan Type:	MA		PDP		COST		PACE		MSA		
Group: Emergency or Disaster													
01	GOVT EMERGENCY OR DISASTER	Government entity-declared disaster or other emergency.	X	X	X	X						X	DST
02	GOVT EMERG/DISASTER-COVID19	Government entity-declared disaster or other emergency related to COVID-19.	X	X	X	X						X	Update Pending. Crosswalk value will be published in the PCUG on avail.
Group: Terminations													
11	CMS TERM OF CONTRACT	CMS initiated termination of contract. Includes contract term by CMS, and immediate term by CMS where CMS provides notice of term to a Plan's members and the term may be mid-month.	X	X	X	X						X	MYT

¹ Any additional updates to the SEP reason codes will be published in the MAPD Plan Communications User Guide. Please also note that Plans should expect to see new alpha-numeric OEC SEP reason codes in the HPMS OEC record layout for the CY 2022 Annual Enrollment Period (AEP). The additional OEC SEP reason codes will be included in the CY 2022 OEC timeline and requirements memorandum.

Attachment D – Update to the List of SEP Reason Codes

SEP Reason Code	SEP Reason Code Short Description (UI)	SEP Reason Code Long Description	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	MARx/OEC Crosswalk
		Plan Type:	MA		PDP		COST		PACE		MSA		
12	TERM/CNTRCT MOD MUTUAL CONSENT	Plan initiated terminations/contract modifications by mutual consent. Includes contract non-renewals, Plan service area reductions, term/mod of contract by mutual consent.	X	X	X	X						X	EOC
Group: General													
21	ACCESSIBLE FRMT RECEIPT DELAY	SEP for providing individuals who requested materials in accessible formats equal time to make enrollment decisions.	X	X	X	X						X	Update Pending. Crosswalk value will be published in the PCUG on avail.
22	INVOL LOSS OF CRED CVG	For involuntary loss of creditable prescription drug coverage.	X	X	X								LCC
23	DISENROLL DUE TO CMS SANCTION	Individuals who disenroll in connection with a CMS sanction.	X	X	X	X						X	Update Pending. Crosswalk value will be published in the PCUG on avail.
24	PART D DISENR FOR OTH CRED CVG	Individuals may disenroll from a Part D Plan (PDP, MA-PD) to enroll in or maintain other creditable drug coverage. May disenroll from MA-PD by enrolling in MA-only plan.	X	X		X							Update Pending. Crosswalk value will be published in the PCUG on avail.

Attachment D – Update to the List of SEP Reason Codes

SEP Reason Code	SEP Reason Code Short Description (UI)	SEP Reason Code Long Description	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	MARx/OEC Crosswalk
		Plan Type:	MA		PDP		COST		PACE		MSA		
25	INVOL DISENROLL LOSS OF PART B	Individuals involuntarily disenrolled from an MA-PD Plan due to loss of Part B.			X								Update Pending. Crosswalk value will be published in the PCUG on avail.
26	MA OEPI DISENROLL FROM MA	MA-PD enrollees using the MA Open Enrollment Period for Institutionalized Individuals (OEPI) to disenroll from an MA-PD Plan.			X								Update Pending. Crosswalk value will be published in the PCUG on avail.
27	PACE	Disenroll from an MA/MAPD/PDP to enroll in PACE or PACE disenroll to enroll in MA/MAPD.	X	X	X	X			X	X		X	PAC
28	COST PLANS NON-RENEWALS	Individuals enrolled in Cost Plans that are non-renewing their contracts.	X		X								Update Pending. Crosswalk value will be published in the PCUG on avail.
29	DROP MEDIGAP IN TRIAL PERIOD	Individuals who terminated a Medigap policy when they enrolled for the first time in an MA Plan, and who are still in a trial period. If used to disenroll from MA-PD plan, may enroll in PDP.		X	X							X	12G

Attachment D – Update to the List of SEP Reason Codes

SEP Reason Code	SEP Reason Code Short Description (UI)	SEP Reason Code Long Description	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	MARx/OEC Crosswalk
		Plan Type:	MA		PDP		COST		PACE		MSA		
30	CHRONIC CARE C-SNP	Enrollment into a C-SNP and for individuals found ineligible for a C-SNP.	X		X								CSN
31 (new)	INSTITUTIONAL INDIVIDUAL	An individual using the OEPI to disenroll from an MA-PD plan has a coordinating Part D SEP to enroll in a PDP. For OEPI transactions, please use election code “T”			X								Update Pending. Crosswalk value will be published in the PCUG on avail.
32	RETRO ENTITLEMENT DETERM	Individuals whose Medicare entitlement determination was made retroactively.	X		X								RET
33	BENES AGE 65 (SEP65)	Beneficiaries age 65 (SEP65). If the individual using the SEP65 is disenrolling from an MA-PD Plan, he or she may use this Part D SEP to enroll in a PDP Plan. This SEP must be used at the same time the SEP65 is used		X	X							X	12J
34	PART B GEP ENROLLMENT	Individuals who enroll in Part B during the Part B General Enrollment Period (GEP). (MA-PD and PDP) Individuals who have Parts A and B for the first time are eligible for ICEP.	X		X								Update Pending. Crosswalk value will be published in the PCUG on avail.

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SEP Reason Code	SEP Reason Code Short Description (UI)	SEP Reason Code Long Description	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	MARx/OEC Crosswalk
		Plan Type:	MA		PDP		COST		PACE		MSA		
35	LOSS OF SNP	Individuals enrolled in a SNP who are no longer eligible for the SNP because they no longer meet the specific special needs status.	X		X								SNP
36	COST DISENRL OR OPT SUP PART D	Individuals disenrolling from a Cost Plan who also had the Cost Plan Optional Supplemental Part D Benefit.			X								Update Pending. Crosswalk value will be published in the PCUG on avail.
37	LAWFULLY PRESENT	Non-U.S. citizens who becomes lawfully present.	X		X								LAW
38	QUALIFIED / LOSE SPAP ELIG	Individuals who belong to a qualified SPAP or who lose SPAP eligibility.	X		X								PAP
39	PLAN IN RECEIVERSHIP	Individuals enrolled in a Plan offered by an MA or PDP organization that is placed into receivership by a State or territorial regulatory authority.	X	X	X	X						X	REC
40	CMS ID CONSISTENT POOR PERF	This SEP exists while the individual is enrolled in the low performing MA or PDP Plan. (Plan with star rating of less than 3 stars for the last 3 years.)	X	X	X	X						X	LPI

Attachment D – Update to the List of SEP Reason Codes

SEP Reason Code	SEP Reason Code Short Description (UI)	SEP Reason Code Long Description	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	Enrollment	Disenrollment	MARx/OEC Crosswalk
		Plan Type:	MA		PDP		COST		PACE		MSA		
Group: CMS Approval Required													
90	MISINFORM CREDITABLE STATUS	CMS determined that the beneficiary was not adequately informed of the creditable status of drug coverage provided by a Plan required to give such notice, or a loss of creditable coverage. Permits enrollment in MA-PD or PDP only. (Different from marketing misrepresentation)	X		X								OTH
91	PROVIDER NETWORK	CMS determines that changes to a plan’s provider network are significant based on the affect, or potential to affect, current plan enrollees.	X	X	X								OTH
92	CONTRACT VIOLATION	CMS determined the individual is able to demonstrate to CMS that the MA/MA-PD/PDP organization of which he/she is a member substantially violated a material provision of its contract.	X	X	X	X							OTH

New Field Update to Daily Transaction Reply Report (DTRR) Layout - 27 for SEP Reason Code

DTRR Detail Record				
Item	Field	Size	Position	Description
27.	SEP Reason Code	2	108 – 109	<p>If the Election Type is “S” or “Y”, this field will be populated for the following TRCs:</p> <p>011, 013, 015, 018, 022, 023, 025, 026, 100, 397, 400, 401, 402, 701, 702, 704, 705, 708, 709, 710, 711, 712, 713, 717, 725.</p> <p>Otherwise the field will be blank.</p> <p>System-generated enrollments and disenrollments will populate with SEP Reason Code “00”.</p> <p>See PCUG for SEP Reason Code values.</p>