

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Drug and Health Plan Choice
7500 Security Boulevard, Mail Stop S3-16-16
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MEDICARE PLAN PAYMENT GROUP

DATE: September 29, 2008

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

FROM: Thomas Hutchinson /s/
Director

SUBJECT: **Medicare Advantage Prescription Drug System (MARx) October 2008 Payment – INFORMATION**

This letter provides information related to the October 2008 payment scheduled for October 1, 2008.

2007 Premium Cleanup

A cleanup was conducted in the October payment to bring SSA premium withhold in synch with MARx 2007 premium periods for about 72,000 beneficiaries. The payment adjustments are included on the regular monthly MPWR; there will not be a separate report.

Cleanup of Erroneous Adjustments for 2007

A cleanup to reverse erroneous adjustments computed for dates in 2007 was processed in the October payment. Corrections include erroneous Part A and B adjustments made to PDP payments. These adjustments are on the MMRs under adjustment reason codes 02 and 03.

The cleanup to address these erroneous adjustments for dates in 2006 was processed in the September payment.

MSP Factors for 2009 for Plans that Met the 7/15 Deadline

Plans that submitted their MSP data to CMS by July 15th are provided a review of their factors to identify any issues. We had notified you that you would receive the factors in mid-September. We are still validating the factors and the supporting data as they appear somewhat higher than those computed in the past. We expect to complete this review very soon and will begin to distribute them to you during the first week in October. At that time, we will provide a revised due date for you to contact your DPO representative with any issues.

LISLEP and PPR LEP Discrepancies

Previously plans had reported discrepancies in the total LEP amounts reported on the LISLEP report and on the plan payment report (PPR). The problem has been corrected and the LISLEP reports for November 2007 through March 2008 have been re-generated (for LEP dollars only). The corrected reports will be distributed to plans on or about October 6.

End Of Year Processing Letter

We are in the process of finalizing end of year (EOY) enrollment and payment processing guidance and plan to distribute via HPMS by the end of October.

If you have any questions about the information in this letter please feel free to contact your DPO representative per the attached list.

Attachment

cc:

Ms. Marla Kilbourne, CMS
Ms. Cynthia Tudor, CMS
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DPO

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