



MEDICARE PLAN PAYMENT GROUP

DATE: October 2, 2009

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 2009 Payment – INFORMATION

This letter provides information regarding the October 1, 2009 payment and other payment process reminders.

Important Notice about the November 2009 Software Release

Due to an oversight, some changes to the Monthly Membership Report (MMR) formats were left out of the November Release detail letter. The missing information was regarding (1) the expansion of the MMR detail report from 411 to 475 bytes and (2) the addition of the Part C Frailty Score Factor that is related to the coding intensity effort for risk adjustment.

A letter with the revised MMR layout and explanation will be issued by MMAHELP as soon as possible. Note none of the current fields are being moved; only the new Part C Frailty Score Factor is being added in spaces 412-418. This new field does not impact plan ability to determine their payment; it just provides more information about it.

Hospice Cleanup

A cleanup was conducted in the October payment to recoup amounts erroneously paid at the non-hospice rate for hospice enrollees. The total impact of this cleanup was a little over -\$30 Million.

2010 MARx Operating Calendar

The 2010 MARx calendar will be released in early October. It will also be attached to the November payment letter. Please note that the January 1, 2010 payment will not be made until January 4, 2010.

Collection of 2010 User Fees

The collection of the 2010 user fees will begin with your January 2010 payment and continue through your September 2010 payment. The MA-PD NMEC user fee will be 0.051%. The total amount to be collected is \$51.2 Million. The PDP NMEC user fee will be 0.053%. The total amount to be collected is \$19.4 Million. The annual Part D COB user fee will be \$1.89 per member and will be collected at the rate of \$ 0.21 per member per month.

If you have any questions about the information in this letter please feel free to contact your Division of Payment Operations (DPO) representative per the attached list. Thank you.

DPO REGIONAL ASSIGNMENTS

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