

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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CENTER FOR MEDICARE

TO: All Part D Plan Sponsors

FROM: Cynthia G. Tudor, Ph.D., Director, Medicare Drug Benefit and C & D Data Group

SUBJECT: 2012 Full Replacement Coordination of Benefits Files and Enhancements to the Electronic Correspondence Referral System

DATE: March 2, 2012

In 2010, CMS initiated the process of annually issuing full replacement coordination of benefits (COB) files to all Part D sponsors. A full replacement file is created for each prescription drug plan based on the sponsor's enrollees as of the date the file is processed. The purpose of this memorandum is twofold. First, we remind sponsor staff responsible for the receipt and handling of COB files from CMS of the annual process and full replacement file details and announce the expected dates for issuance of the 2012 files. In addition, we announce upcoming enhancements to the Electronic Correspondence Referral System (ECRS) which is used to request updates to COB information in the CMS files.

2012 Full Replacement Files

As noted, each Part D plan will receive a full replacement COB file based on the sponsor's enrollees as of the date the full replacement COB file is processed; this year the processing date will be February 29th. Each plan's file will include both the record updates that would normally be included in the daily COB notification files and the full replacement COB data for all enrollees with other coverage. As a result, during the days the combined daily update records and full replacement files are being issued, no separate daily COB notification files will be sent. We expect to issue the combined daily update and full replacement COB files to plan sponsors during the week of March 5th. Due to file size constraints, sponsors with a large number of Part D enrollees with other coverage may receive multiple COB files over the period.

The combined daily update/full replacement COB files will contain no special identifiers to distinguish them from the normal daily COB notification files, but they may be identifiable based on the date of receipt and the large size of the files. Each plan's file(s) will include only Detail records for any beneficiaries whose other coverage information has been deleted; these records normally would have been in the plan's daily COB notification file. The plan's file will also include the records for all the plan's current Part D enrollees who have at least one occurrence of either primary or supplemental coverage. Not included in the file will be records for any Part D enrollee without other coverage information. As a result, for the enrollees included in the file, the information is a

full-record replacement that should be processed by plan replacing its entire existing other coverage information for these enrollees with the 2012 daily update/full replacement file data. For the plan's remaining Part D enrollees (that is, those members without other primary or supplemental coverage), the plan must retain the members' existing Detail records.

As with other COB notification files, the full replacement COB files will include the last 27 months of other coverage information as of the date the file is processed. Thus, the 2012 full replacement files will be sent not only to the current plans of record, but also to any prior plans with enrollment periods for that beneficiary within the last 27 months.

ECRS Enhancements

CMS and the COB Contractor will be implementing enhancements to ECRS for Part D plan sponsors. These enhancements include several new fields related to Medicare Secondary Payer (MSP) records and a new Prescription Drug Assistance Request transaction for updating or deleting a prescription drug record pertaining to coverage that is supplemental or primary to Part D. Implementation of these changes is scheduled for April 6, 2012. As a result, we encourage all Part D sponsors to postpone submitting ECRS requests for changes to other prescription drug coverage until after the enhancements are in place. Training on the new ECRS transaction will be conducted at the upcoming CMS 2012 Medicare Advantage and Prescription Drug Plan Spring Conference on April 11 -12, 2012. A revised ECRS User Guide is available on the CMS Web site at:

<http://www.cms.gov/Transmittals/2012Trans/itemdetail.asp?filterType=none&filterByDID=-99&sortByDID=2&sortOrder=descending&itemID=CMS1256006&intNumPerPage=2000> .

If you have any questions concerning this memorandum, please contact Deborah Larwood at 410-786-9500 or via email at Deborah.Larwood@cms.hhs.gov.