



## **CMS 2010 MEDICARE ADVANTAGE & PRESCRIPTION DRUG PLAN FALL CONFERENCE**

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### **MARx Redesign & Modernization Technical Overview**

**Jack Fletcher, OIS/ISDD/DND**

**Ed Howard, CM/MPPG/DPP**

**Randy Brauer, CM/MPPG/DPP**

#### **Jack Fletcher**

Hello and welcome. Thanks for coming today. My name is Jack Fletcher, I'm with CMS, I'm in the office of information services. I must say this is the first time I have been invited where the IT guy is the life of the party. I see you had an accountant, policy, insurance, now you get IT, right.

Today I will explain the changes in MARx will be. There's a lot of things going on underneath the covers and inside the system. We will restrict it to talk being what things will impact plans and make life better for you. The first thing I wanted to talk about -- I will give you the introductions, there we go. I wanted to introduce the team that has been working on this. We've been working on this project for about a year and a half, requirements, requirements review, now we're in the testing. Eight months to go, things are getting pretty interesting. I want to talk about the changes that are coming in MARx, what new features we have for you and talk about your role to come next.

First, I want to introduce the team. Most importantly, Randy Brauer, next to me. Awe, thank you.

With Randy is Ed, Susan, John and Gloria. On the OIS staff team, myself, Barbara, Judy, Mary and Peg. [ Applause ]

And we also have some members of the development team that are here, very important to us in terms of getting the job done. Lakshmi, Ramesh, Tim and Mark are representative about 250 people working on this altogether. They're here. [ Applause ]

At the end of this if you have questions, the reason I asked them to stand up is it will be easier for you to come find us to ask questions that you didn't want to ask on public and in person on the camera.

So let's get to it. Randy talked earlier about the changes and gave you a high level. We started to drill down a bit. This is an attempt to drill down further. One of the most important things that is changing is that we're moving to a daily TRR. What that mostly means to you is that -- excuse me, will you get a response the next date. If you submitted a file to MARx, the next day you will get a response. You will get your TRCs and all of the information that you need to know about the transaction that was processed by CMS, and what the answer is that is important to you to know. Rather than waiting until the end of the week to figure out what happened during the week. We think it's a better business model to tell you -- model to tell you each day what goes on. One of the first questions that came up: How will a plan know if they will get something back? When will they get a response? Particularly if you have not submitted anything. You will



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get back daily a response, that way we know and you know that you supposed to. Daily meaning the work days of MARx, six days a week. What you will get back will be something new, the entire transaction that you submitted to us, it's a full string to let you know that this record is what we're talking about. We think that will be very helpful and important to make sure that you know exactly what we're talking about. The other thing that you will get back to the TRC response, to let you know the acceptance or the rejection and what the causes were and the other pertinent information, that stays the same. That will be the true whether it's an UI or a batch-submitted transaction, you will get the response the next day. You will get TRCs for transactions that you did not submit where CMS has done the processing, or some other entity has told us some important information that effects your Benny and your plan. We have done internal processes that is pertinent to you. In current world this only happens in you are the current plan, if it's retro information you don't get told, in the new system you will be told if it's pertinent information to you. You will get that information as well from CMS and MARx. Lastly, those times when no information was processed we will tell you, that's how we know we will send you something every day. If there was no activity we will send you a single transaction TRC with a zero, zero, zero code that says that you have no new data today. So those are -- that's how the daily TRR will work. There are some other slight format changes. But you will be getting -- if you submitted to us a BCSS and a daily TRR.

I mentioned that we'll send you a transaction of the data that you gave to us. That's a new record format. So that's one new record format. The rest of the TRR record format stays the same. We're making the record format itself sensitive and more contact sensitive to the transaction that was being processed. If you gave you an enrollment, you will get that information back. If you gave us an address change you will get the information back that is pertinent. We don't need to repeat all of the information about the enrollment. It will be pertinent and what is relevant to that piece of information that was being processed. As I said, lastly, the no data record is a TRC. To let you know that we have reached a level of maturity. This stuff is more solid than Jell-O. This represents a draft handbook that will be coming. We will tell you more about it later.

We decided not to print this material, not to hand it out, because we didn't want to take a chance of anyone going ahead and starting to code to anything. This says that we have development material, it's here, we're in the process of testing it, we don't want anything to go out to you until we've gotten through enough testing to make sure there will not be any changes. The record formats are in here, we know the layouts. If you have questions we can certainly answer them. At this time what I wanted to do with this, this is a breakout session, excuse me, it would be nicer if we could be more interactive than we have been. If you do have questions, with each topic change I will stop for questions. I will take a couple of them now. I will take more at the end. I will limit it to just two questions to make sure that we're able to keep pace with the material. At this time are there any questions from anyone? If you could come up with the microphones --

Susan Smith, humanna, you mentioned six days a week. Have the six days been defined? Today we don't process on Sundays.

Correct.

Monday through Saturday. Nothing is changing about that. That's a different issue than MARx RM. When MARx is operational you should expect to get a file.



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I will try it. There we go. Bill here. I haven't seen this covered. The daily TRRs, what is the cutoff the day before? You say it comes back the next day, what time will that be?

8:00 p.m.

8:00 p.m.

Was the question when will you get it back?

If we send in transactions on Tuesday how late can we send them in and still have them in and have them come back on Wednesday, what time will that TRR come in on Wednesday?

Sorry. I believe our cutoff is 8:00 p.m. Until we get the testing done we will leave that. We hope to have it later. If you have it in by 8:00 p.m. it will go out the next morning. By 9:00 a.m. in the morning, no reason for it not to be sent out first thing. That's our intention.

One more for now.

Jonathan Kaiser. With the daily TRR what does that mean for the weekly?

Hey. No more weekly, no more monthly. Daily TRRs only. In relation to your 4RX requirements, you submit that data within 72 days of your TRR, so it would be every day.

Thank you.

Uh-huh.

So let's move on and talk about some of the other changes going on. In my introduction I said we would talk about some new things. It's very easy on the bullets to go and talk about things that are new and changing. What we tried to do is not change the system. We have new features. We also have things that are there that are changing. But the new features work within the same context of the system. It becomes a dance for me.

Some of the transactions that are changing are the 74 transactions. That's why it's always helpful to have an aid here. Today it supports a lot of different types of transactions. Under the covers we're building a more service component system. It makes more sense for us to take each service and have it discrete. We made each of those functions discrete as a transaction. It makes it easier, it makes more sense. I will talk about these in just a second. Also the new 76, the beneficiary residence address. And the cancel feature, which is [ Indiscernible ] 81. Let's talk about the split 74. All the things from a 74 you are still able to do, they're now given discrete numbers. I will show you what they are if I push my buttons, there they are. All these still perform the same way as they performed the before. They just have a distinct transaction ID number, to make it -- imagine if you are trying to do this on an UI, it's easy to transform these. Again, it's just consistency. There's no change in the functionality, no change in the data formats or the data requirements, just the transaction type.

For the beneficiary address, residence address. Randy mentioned this is not to take away from what the retroprocessing contractor does, but it does give you an us a much better way of handling the fact that you get out of service network from us. Your knowledge and our knowledge of the Benny disagree. You can submit that information and give it to us, we can then more readily interpret that and do what is appropriate. We can avoid you needing to go through the contractor to accomplish what you need to do to get payment. It's not intended to be used for every enrollment. Really what we're expect something if you get the out of service and



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you have the information to correct it you could submit a 76 transaction to give us the information, we'll process it, correct the state and county code, everything will be done and no need for anything else. We will try and ask you not -- this is not intended to be part of every enrollment. There are times when you know your people better than we do. If you know that your beneficiary -- I had a bad weekend -- excuse me. This is my Stewy impression. I had a crown that fell out over the weekend. I was trying to figure out how to pull a good joke about it. Rather than play with it, I'm just going to keep it to the side if you don't mind.

We work our IT folks really hard at CMS. [ Laughter ]

So, like I said, hmm, we really don't want this to be a part of enrollment, but it does make sense at time. We will monitor the usage of this, to make sure you are not processing unnecessarily. At the same time it reduces your costs and ours.

This does not replace our knowledge that we have from SSA, we do have a separate table that will hold this information. As Randy said, it applies only to that beneficiary, to that enrollment, on that plan for the period of time under that plan benefit package. You will tell us when things need to carry on, if there's a complete change that information stops. We go back to what we knew from SSA until someone tells us different.

Again, we do have this figured out. It's in the draft document. We have the documentation, we have the record format, we have the TRC code associated with it. It's not a lot. It's not overly complicated. There's a lot of things, knowing if you give us information about a beneficiary with any enrollment we will accept it -- we did a lot of logic to make sure that the lineups agree. I will not go into that. We played a lot with this to make sure it plays out right.

Let's talk about the canceled transactions. You notice I said "cancel." I first put up the cancellation transactions. We're trying to make sure to define this really well. This is a very important and good feature. It's very necessary for the business. It also has the ability to go off, or to not perform necessarily the way one might expect. We developed rigid rules around this in order to make it work correctly. We're trying to say, you know, you deal with beneficiaries, you deal with your enrollments and information. Beneficiaries never change their minds, right, God forbid. There are no "oops" in our world, right. This is what it's meant to be. It's to accommodate the problems when a beneficiary changes their mind last minute, whatever. When an "oops" was made, when the transactions got processed and you realized that's not right. We have some serious difficulties in today's world in trying to handle that manually because we have to go through a disenrollment reenrollment process, which is difficult because we try to do the enrollment rules.

If there is an oops and we found out about it and you wanted to cancel that the problem is if we manually do it they're not allowed to be reenrolled. So we know we have to break the rules, if you will. Rather than try to break the rules we said we want to reinstate the beneficiary to where they were. We need to get the beneficiary back to the place where they need to be before the "oops" took place, or the change of heart. It has to be a perfect match for the enrollment date, the plan, the beneficiary, so we know that's the transaction that you were talking about that you gave us to that we're trying to cancel, we can cancel enrollment and disenrollment. We will do the proper restore or reinstatement of the beneficiary. We also know and understand that time has taken place since all of this occurred and sometimes there is critical pieces of information that need to carry on. So even though we restored the beneficiary to a retrodate, if subsequent events took place and we've restored them to where they belong,



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we will then continue to apply history and bring them up to date appropriately.

As you can imagine, again, really, really nice feature. It's important to make sure that the system itself does what it's supposed to do. That's why we have tight rules around it. That was talking about some of the transaction changes. Maybe this might be a good time again to see if there's questions you would like to ask. Okay.

NUNCMO, number of uncovered months. We love our acronyms, this is one of them. Randy mentioned this is a feature that comes up with the MARx re-design. We have the beneficiaries knowledge and information about their age. We're trying to apply that information. We will build the system so it will do this automatically. It will eliminate the need for you to tell us. In case something goes wrong, the transaction is still there, you can tell us if you don't see it in a timely manner. It is a new MARx-generated process. We will generate a TRC, this will be another situation in which you didn't do any processing, we did, we want to tell you, this might show up on a daily TRR. We think this will work well and serve everybody to save costs across the board for CMS and for you.

So with new plan updates, which is our biggest feature coming out in terms of changes to you, not necessarily -- I won't say it's the most important to you, but it's probably the one that is the biggest change. Again, the purpose of this is meant to be, to let you manage your data. It's not to replace the things that we have that help you with things that are troublesome. But it is to better facilitate and make it easier for you to do and manage your the data that you submit. Plans will have a limited update capability. Again, Randy mentioned we will limit it to two users per plan and parent plan. Again, this is not meant to be for data entry. It will enforce the same policy, same rules as you have for batch processing. There's no difference about it, it works -- it will work, its it intended to work the same as all of your batch transaction processing. If I submitted a batch, I look at it, I give you 10,000, I got 15 errors. It's easier for you to deal with the errors one by one, than to figure out how to get them back into your next batch submission, which you probably already created, you already did that. If it's 15 and not 1500 then it's a reasonable number to try and deal with it, I know this has happened, I know this is the error, it's something I can correct if I can just tell you. This is the purpose of having this, to allow that to take place.

I apologize for not having screen shots. This was more of a foot holder that we were doing this, and they're not in here either. But we do have them, they have been developed. We're testing on the screens. We're pretty happy with our development and where we're at. One of the things that I haven't said yet is along with this we plan on doing a lot of monitoring of the system. One of the biggest -- this morning you heard a lot of talk about compliance, audits and other things that have to do with your responsibility. CMS cares, we care so much that we send out auditors to make sure that doing it the way we want you to be doing it. I came in with fresh eyes, I saw things that I didn't think the system was doing well. We're trying to improve that through the MARx re-design. One of the things we're doing is to make MARx itself a much more accountable system that is accountable and responsible. We're trying to do the things with you and making the improvements that show that responsibility. But the system itself for us, our purposes, will be much more useful to us. That means we will have a much better ability to monitor, to do reporting, from system, that will be more intuitive and not a burden on the system. It was hard to get the reports out. We're going to change that. It's not meant to be big brother, the system has to work the way it's supposed to do what it has to do. It has to be easy for us to use so that we're making it easy for you to use. Improving communications, I think, goes a long way if we're providing information to you in a timely manner, it's clear, it's concise, it's easier





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transaction types, we're simplified the TRCs and we've made them discreet so you won't get a 165 anymore. You won't have situations where we're telling you it's broken but we're not clear about if we did something, or if you did something. We will make sure you get a TRC associated.

One of the most important things we're doing is delinking enrollment and payment. They act independently, it allows us to do the calendar-based enrollment. When things work we have the intelligence inside the system to know what is going on. We're make the enrollments timely, we will give you the information back timely so you can do your responsibilities and your compliance obligations in a better way. I think we will do our side better. That's really the biggest thing about the MARx R & M. You can do what you can what you are supposed in a better way. Along with the monitoring is the idea that we want things to -- their intended purpose. We will try to talk to you and let you when things are not being done the way they're supposed to be. We will have reports to let us know that quickly. There's always room for miss interpretation. The first notice will let you know about it. After that we will have told you, this is happening, why are you still doing it? We will have a much greater ability to know how things are being done in the system, and the timeliness of it should make things a lot better within MARx, to say the least. So online in the UI what things will now be able to be done -- sorry. The online supported transactions are basely all of the transactions that you can do today through batch, enrollment, disenrollment, 4RX, NUNCMO, the premium payment option, beneficiary residence address. Everything you can do in batch we will support through UI. Again, without the idea of trying to say we're not replacing batch, we're not. But we're giving you the ability to manage your data better. There are those times when it's more cost-effective.

Let me take one more break for questions.

Hi. Jodie Miller. I just want to clarify, two users per parent plan. We have an HMO plan, our corporate plan has a does disand TDP. Does that mean two for Sigma as a whole?

Yes.

Thank you.

Jim Clark. Would you explain the differences in processing? I noticed they overlap.

Yes. Certainly. BCSS will be returned same day generally. When you submit a batch file to us as soon as we receive it -- first off you will get a transmission acknowledgement. That's just your response that we received the file, okay. When we have finished processing the file we will immediately kick out the BCSS, that will be same day. That will contain the volume count and your failed transactions. Everything else will wait for the TRR, rejects and your exception transactions we could process will come out through your TRR with all the normal TRCs and that will be the next day. Right now we believe, again, I don't wish to hedge my bets, problem until is we've done full system testing everything is on the wish list. Until I have the actual measures to go along with that -- right now we believe that next morning, after we've done our nightly maintenance, we will start processing files. We will have done all of our reporting based on what was processed the night before.

Are there other questions, please?

Is there a difference between the BCSS and this new transaction count acknowledgement file? The BCSS will tell you the total number of records, how many were accepted, rejected and failed. It will give you failed transactions immediately back. TRR will tell you why they rejected,



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why they were accepted, what business information do you need to know based on that transaction? Not just -- the BCSS is just record counts, that's all it is.

If I could join in with Jack here, I wonder if you are thinking of what it looks like today. Today it has your accepted and rejected with the TRC, that's repeated for at the weekly TRR and the monthly. In the new world the BCSS will look different. It will have accepted and failed transactions. The BCSS is returned to the submitter. Because a transaction failed I did not do anything with it, I don't know the plan to whom to return a response. Failed transactions go back to the submitter. It will give you a count of everything that happened. Your TRR will now include the full line of data with the transaction reply code, tell you the reason for acceptance or rejection. Another big improvement is that right now today you get that level of information that tells you that you were accepted with a 011, you don't get the transaction replies that might accompany that successful enrollment until the weekly transaction reply is generated. Daily, you will get the 011 and all of the other pieces of information that you need to know the next day.

Does that help?

Yes. Sorry. There's this new file, is that a file? Or is that the BCSS? Or the TRR?

The new format -- the one format in the TRR, we will return the record that you gave to us in whole. We've got a short header that is understood to follow the same format that you are used to. At some point it's just a long string of the transaction that you gave us.

Okay. That's just a record --

That's just --

[ Overlapping Speakers ]

Yes. Exactly correct.

Thanks.

You are welcome. Glad I was able to answer that one.

Okay. Let's move on. Lastly, what we wanted to talk about is what is coming next for you all. This is the MARx R & M handbook in draft. Right now late October is the word for when we will send it out. We're in the process of cleaning it up now. It's plan oriented guidance, it's intended to help you do the processing, whether it's the new transactions or the old. It will have the new record layouts, the new transactions and the TRCs documented. It will have what you need, put it that way.

We are also wanting to do some sort of testing, we want to open the door to anybody, if you will, not pick plans or pick certain people. There's information that we will generate that is new and different. In this test we can send you a sample of what the transactions look like. We will generate a dummy thing to send out. The point is to find a way that we can get an opportunity for you to do some testing and make sure that you are not caught offguard. We will have more information about that coming this fall as we work out the details. Lastly, the PCUG will be in its normal prerelease in January. It's important that you get that information early enough so that you can code, do the things. The first knowledge you have will be with the handbook, it will have the layouts, the specifications, all of the things that you need to know. This will be telling from the basis of what is changing. The PCUG will be your "Bible" as always. That will be coming out in mid-January.



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That is the information that I had to do. But we've worked on the system. I can answer lots of other questions. We tried to keep it to what made the most sense to talk about today. We will take any questions that you have in the remaining time that we have.

Question about the 76 transaction, the addresses. You didn't plan to receive that for every enrollment. Is your expectation that we would use that upon receipt of the 16 reply code? Correct. Yeah.

Okay.

On the current BCSS, we have a code in the beginning when we get the records back, obviously I don't think that will be the case if we're getting a daily TRR. Is that the way you see it now?

Hmm. We prefer the accepted or rejected. So -- those things are not going to change per se. You will get more discreet detail on the TCs. You only receive the fails.

Right.

I will look to my team.

What he's saying is on the BCSS we include that little accept reject at the front.

Right.

That's not on the TRR. He wants it on the TRR.

It would be nice.

I don't think that's something we can accommodate. But it's good feedback. Certainly the right people are here to hear that. We will share it. I would expect and encourage you for adjudicating.

Right.

That's something we can think about. I think we're probably a bit too far to go there at this point. Thank you.

Sure thing.

One of the things that is confusing -- should you look at the TRR? Probably for most of you it's a tough choice.

They talk to me, read your BCSS every single day.

I would have said you need to do both. Absolutely. But we're trying to reduce the confusion. We will give you on a daily basis the information you should be seeing on a daily basis. You are submitting transactions, we're all doing business every day. This is stuff you should stay on top of. We don't want to hold information. If we hold information for a week things continue to happen. It's very hard to tie that all back together if you wait too long. It's very difficult. To





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Randy's point, that's why you should be looking at this information every day and try to reconcile. We think we will make it all easier by looking at it all daily. That's really what we're trying to get at, you get right data, right time, right place, about the right thing.

I couldn't agree more. I would just add there are things we need to tell you that right now only come on weekly or monthly reports, such as auto enrollments. By moving to daily we'll be able to tell you every day when I create an auto enrollment you will get the response the next day, instead of the next Sunday. That's a tremendous improvement. It should make reconciling much simpler, that's the idea.

Right.

Along the same line, with the BCSS, is it the expect that the failed transactions be resubmitted in the next batch? Or corrected in the user interface?

That's kind of a loaded question. The answer is when your transaction fails what that usually means is there was something fundamentally wrong with the transaction itself. For example, if you put the word "orange" in the field where there's supposed to be a D.O.B., my system doesn't know what those characters are. So we will fail your transaction because I don't understand it. With that hat on my expectation today is that any failed transaction you review what happened, why it failed, fix that and resubmit it the next day. On a go forward basis I would have the same expectation. A good rule of thumb in the context is if you can accomplish the work via the batch in your ordinary processing that's what you ought to do. If it's a tiny volume, it's one, maybe going on the UI is faster for you. You need review what happened and make sure that issue trickles backwards. The word "orange" shouldn't be in your date of birth field, how did it get there? Does that make sense?

All right, you guys got us for five more minutes. Bring them on. Come on.

Jim Clark again. [ Speaker/Audio Faint or Unclear ] -- is it possible to get full enrollment files on a calendar basis?

Oh.

That is the up and coming truth.

It will be done on a calendar basis now. I didn't know if that was CMS only –

That's for plans.

Very good.

The answer is yes, calendar-based. We will be able to report things appropriately. Again, this should help everybody out. There's a lot of confusion when you do things, and we're doing it. I would like to jump on that though for just a second, if I may. And say even in today's environment the full enrollment file is a snapshot in time. That's not necessarily the same answer as for whom you received a payment. Your reports are not necessarily going to have the same output. I am sure that's what you are getting at. We expect in the new world that the new enrollment file will be linked to the calendar month, just like everything else ought to be for enrollment purposes. The current payment month process will still exist, it's still important, in



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order to process your payment. Just because your full enrollment file shows that you had 750 people enrolled for June doesn't mean that we paid for you for them in June. It's whoever we knew about prior to the end of May.

[ Speaker/Audio Faint or Unclear ] -- it's not real clear to me what date that is every month. Understood.

If you did it on a calendar basis it would be easier to reconcile.

That's good feedback for our R & M team, if we could make that point clearer in our handbook. At what point in time are we taking our snapshot?

These are conversations we've been having back in the office and trying to figure out, you know, We fell into the CPM system because that's the way it was dictated to us. I need the benefit of our testing results. If we have the system running the way I hope to make it run it shouldn't be a challenge, we can do it. It doesn't run the way I want it to run then we have a challenge, we'll be back to some of the places that we've been. We're trying to make a difference and make things right. Everybody will know what the answer is, because it's -- [ Speaker/Audio Faint or Unclear ]. That's our goal. I hope it works.

It will.

I say that because we have eight months to go. Things are going very, very well. We're very pleased. We've made some incredible, incredible work happen. The time it will take us to process a file will be, we hope, if not 50% less, a lot less than that. I mean, a lot less than that. Before I forget something I want to make sure I give you two things. First, my email address. John.Fletcher@CMS.hhs.gov. That's me. Last R & M projects, R underscore, M underscore projects@CMS.HHS.gov. We're here to help. I understand also that is going to be changing very shortly to RM underscore projects. If there's no other questions I do want to thank you very much for coming today. Hopefully this is a little more interactive than the earlier sessions. Mostly we want to get the right thing out to you. Thank you for coming. [ Applause ]