

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
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**CENTER FOR MEDICARE  
MEDICARE PLAN PAYMENT GROUP**

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DATE: February 16, 2018

TO: All Medicare Advantage Organizations, PACE Organizations, Medicare-Medicaid Plans, Section 1833 Cost Contractors and Section 1876 Cost Contractors, and Demonstrations

FROM: Jennifer Harlow, Deputy Director  
Medicare Plan Payment Group

SUBJECT: Updated Announcement Regarding Encounter Data Deadlines for Payment Years 2016 and 2017 Final Reconciliation

In the December 20, 2017 HPMS memo, “Phase III Version 3 MAO-004 Report Release Date and Announcement Regarding Final Encounter Data Deadlines for Payment Years 2016 and 2017,” we announced extended deadlines for the final reconciliation of Payment Years 2016 and 2017. In response to MAOs’ inquiries regarding these payment years, CMS’ extension of these deadlines was intended to facilitate the submission of complete encounter data, and improve the accuracy of risk adjustment payments, by allowing plans additional time to refine their submissions to the Encounter Data System.

This memo provides encounter data submission deadlines for payment years 2016 and 2017 to all organizations that receive Medicare risk adjusted payments. In addition, this memo provides the anticipated payment months.

The Payment Year (PY) 2016 final risk adjustment reconciliation encounter data deadline will be August 2, 2018. CMS anticipates the PY2016 final risk adjustment reconciliation will be included in the November 2018 payment. The PY2017 final risk adjustment reconciliation encounter data deadline will be September 14, 2018. CMS anticipates the PY2017 final risk adjustment reconciliation will be included in the April 2019 payment.

Payment Year 2016.

- Last year, CMS announced that we would provide more time for plans to submit encounter data for PY2016, to allow the opportunity to review your submissions and make adjustment to your systems to ensure the submission of complete encounter data for PY2016 risk scores. [See HPMS memos from March 22, 2017, “Phase III MAO-004 File Layout,” and from October 20, 2017, “Announcement of Deadline for Second Final Reconciliation of Payment Year (PY) 2016.”] CMS will conduct a second interim run of the PY2016 risk score with RAPS data submitted as of January 31, 2017, and encounter data submitted as of April 2, 2018. We anticipate that this reconciliation run of the PY2016 risk scores will be included in the July 2018 payment.

- As noted in the December 20, 2017 HPMS memo, we will run PY2016 risk scores once more after we release revised MAO-004 reports in April 2018. The additional time to submit encounter data for the final PY2016 risk scores is intended to allow plans more time to review the updated MAO-004 reports and, if needed, to revise or resubmit encounter data records in accordance with CMS guidance. This will further assist in ensuring that payments are accurate.
- The final PY2016 risk scores will use diagnoses submitted to RAPS as of January 31, 2017, RAPS deletes submitted through August 2, 2018, and diagnoses from encounter data submitted by August 2, 2018. As the final risk adjustment data submission deadline for PY2016 will now be later than April 2, 2018, these deletes are not overpayments as defined in Section 1128J(d) of the Social Security Act and 42 CFR §422.326. We anticipate that this reconciliation run of the PY2016 risk scores will be included in the November 2018 payment.

#### Payment Year 2017.

- As with PY2016, CMS is allowing plans additional time to review and submit their encounter data. Per our December 20, 2017 HPMS memo, CMS will conduct an interim final run using RAPS and encounter data submitted by the existing deadline of January 31, 2018. We anticipate the PY2017 interim risk adjustment reconciliation will be included in the May 2018 payment.
- We will then conduct a final PY2017 reconciliation run, using diagnoses submitted to RAPS as of May 4, 2018, RAPS deletes submitted through September 14, 2018, and diagnoses from encounter data submitted as of September 14, 2018. As previously stated, our intention is to allow plans ample time to review and respond to the revised MAO-004 reports that CMS will send out in April 2018. We anticipate the PY2017 final risk adjustment reconciliation will be included in the April 2019 payment. As the final risk adjustment data submission deadline has been extended to December 21, 2018, these deletes are not overpayments as defined in Section 1128J(d) of the Social Security Act and 42 CFR §422.326.

<u>Payment Year</u>	<u>Encounter Data Deadline</u>	<u>RAPS Deadline</u>	<u>RAPS Delete Deadline for the respective risk score run</u>	<u>Are RAPS Deletes submitted by the “RAPS Delete Deadline” Considered Overpayments?</u>	<u>Anticipated Month of Payment</u>
PY 2015- Rerun/update	February 1, 2016	February 22, 2016	June 7, 2018	Yes	September 2018
PY 2016 – 2 <sup>nd</sup> Interim Final	April 2, 2018	January 31, 2017	April 2, 2018	No	July 2018
PY2016 – Final Reconciliation	August 2, 2018	January 31, 2017	August 2, 2018	No	November 2018
PY 2017 – Interim Final	January 31, 2018	January 31, 2018	January 31, 2018	No	May 2018
PY 2017 – Final Reconciliation	September 14, 2018	May 4, 2018	September 14, 2018	No	April 2019

As previously noted, we expect that the revised and improved MAO-004 reports released in April 2018 and the extended deadlines will provide better information for plans to use in submitting encounter data and will support more accurate payments. If you have questions regarding this memo, please email [RiskAdjustment@cms.hhs.gov](mailto:RiskAdjustment@cms.hhs.gov), with the subject line: “Updated Announcement Regarding Encounter Data Deadlines for Payment Years 2016 and 2017 Final Reconciliation.”