

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Medicare
7500 Security Boulevard, Mail Stop S2-22-25
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MEDICARE PLAN PAYMENT GROUP

DATE: October 28, 2010

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

FROM: Cheri Rice /s/
Acting Director
Medicare Plan Payment Group

SUBJECT: Medicare Advantage Prescription Drug System (MARx) November 2010 Payment – INFORMATION

This letter provides information regarding the November 2010 payment scheduled for receipt on November 1, 2010, and other payment related items that may require plan action.

User Fee Collections

The Fiscal Year (FY) 2010 user fee collections were completed with the September payment. The FY 2011 user fee collections will resume in January. The Coordination of Benefits (COB) user fee will be \$.13 per Part D member per month from January to September for a total of \$1.17 Million. The National Medicare Education Campaign (NMEC) user fee for MA-PD plans will be .047%; the total amount to be collected is \$51.9 Million. The NMEC user fee for PDPs will be .050%; the total amount to be collected is \$19.2 Million.

Year 2011 MARx Plan Monthly Schedule - Corrected

The 2011 schedule of due dates for plans was sent to you with the October payment letter. Since then a correction was made to the plan data due date in September. The corrected date is September the 9th. Plans should also note that if a due date for the enrollment certification falls on a weekend, it is due the next business day. The corrected Schedule may be found on the MAPD Help Desk site MAPDHelp@cms.hhs.gov and in the upcoming November release of the Plan Communication Users Guide.

Improper Premium Transaction Replies – Due to an extraneous file being sent to SSA, a high volume of transaction reply code (TRC) 185s (or TRC186s for rejects) were sent to the plans. There was no effect on the premium withholding status at SSA for the impacted beneficiaries because most were in Direct Self Pay or were Low Income Subsidy (LIS) beneficiaries. Plans should ignore any TRC 185 or 186 that was not the result of a plan-submitted transaction requesting premium withholding for their member. These transactions appeared on the weekly

Transaction Reply Report (TRR) dated October 10, and will again appear on the monthly TRR associated with the November payment.

Premium Withhold Requests for Railroad Retirement Board (RRB) Members

REMINDER – Plans should not submit requests for premium withhold for RRB members at this time. CMS will notify the plans when RRB announces the start date of the premium withhold option.

Please contact the appropriate Division of Payment Operations (DPO) representative (list attached) with questions about information in this letter or assistance with other payment or premium related issues. Thank you.

DIVISION OF PAYMENT OPERATIONS (DPO)
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