

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Center for Medicare  
7500 Security Boulevard, Mail Stop C1-13-07  
Baltimore, Maryland 21244-1850



**MEDICARE PLAN PAYMENT GROUP**

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**DATE:** February 19, 2014

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

**FROM:** Cheri Rice  
Director

**SUBJECT:** Medicare Advantage Prescription Drug System (MARx) March 2014 Payment – INFORMATION

This letter provides information about the March payment, which is scheduled for receipt on February 28, 2014, and other payment related items that may require plan action.

**Coverage Gap Discount (CGD) Reconciliation for 2012**

The CGD Reconciliation for the 2012 benefit year was recently processed and is included in the March payment. The adjustments are displayed on the plan payment reports with adjustment type PRS.

**CGD Invoice Offsets**

The CGD invoice offsets continue in the March payment, and are displayed on the plan payment reports with adjustment type CGD.

**2010 and 2012 Risk Adjustment Reconciliation Re-Runs**

The results of the risk adjustment reconciliation re-runs for the 2010 and 2012 benefit years are included the March payment. Plans will see the adjustments on their Monthly Membership Reports (MMRs) under adjustment reason code (ARC) 25 (Part C Risk Adjustment Factor Change/Recon), and ARC 37 (Part D Risk Adjustment Factor Change).

**Resynchronize Medicare Secondary Status (MSP) with Payments via MARx Cleanup**

CMS processed a data clean-up to correct an issue related to MARx not calculating MSP reductions in some plan payments since the November 2013 software release. As a result of this clean-up, the MSP reduction portion of the payment will be recalculated. Affected plans will see the adjusted payments on their MMRs under ARC 42 (Retroactive MSP Status) and cleanup ID 2515615.

**Resynchronize MSP with Payments via Updated Common Working File (CWF) Data**

The CWF recently processed updates to some of the MSP profiles. MARx processed the updates by synchronizing them with impacted payment profiles. Affected plans will see the related adjusted payments on their MMRs under ARC 42 (Retroactive MSP Status).

Please contact the appropriate DPO Representative (list attached) if you have any questions about the information in this letter or need assistance with other payment or premium related issues. Thank you.

cc: DPO Representatives  
Director, DPO  
MAPD Customer Support

**CENTERS FOR MEDICARE  
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