

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

DATE: December 22, 2015

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

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

SUBJECT: Medicare Advantage/Prescription Drug System (MARx) January 2016 Payment – INFORMATION

This letter provides information about the January payment, which is scheduled for receipt on January 4, 2016, and other payment related items that may require plan action.

2016 User Fees

The FY 2016 user fee collections resume in the January – September 2016 payments. The National Medicare Education Campaign (NMEC) user fee for MA-PD plans will be 0.041%; the total amount to be collected is \$67.5 million. The NMEC user fee for PDPs will be 0.043%; the total amount to be collected is \$18.3 million. The Coordination of Benefits user fee will be \$0.116 per Part D member per month.

2010 Part D Reopening

CMS has completed the calculations for the reopening of the 2010 Final Part D Reconciliation and the results are included in the January 2016 payment. They appear on the Plan Payment Report (PPR) as a CMS special adjustment type “PRS”.

End Stage Renal Disease (ESRD) Post Graft Calculation Cleanup – Phase 2

The quality bonus payments (QBP) related to plan star ratings for ESRD post graft beneficiaries changed for 2015 (star rating 4 and above = 5%; star rating below 4 = 0%), There is a third level not related to star ratings but to plans designated as new or having low enrollment. The QBP for these plans is 3.5%. A data clean-up was run earlier this year to apply the correct the rates yet some plans were excluded. This data clean-up will create payment adjustments for these plans which will appear on the Monthly Membership Report (MMR) with Adjustment Reason Code (ARC) 94 (Special Payment Adjustment Due to Clean-up) and a Clean-up Id of RT3586174.

Questions or concerns about any of the information within this letter should be directed to the MAPD Help Desk at MAPDHelp@cms.hhs.gov, or 1-800-927-8069.

cc: DPO Representatives
Deputy Director, DPO
MAPD Customer Support