

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard  
Baltimore, Maryland 21244-1850



**CENTER FOR MEDICARE**  
**OFFICE OF INFORMATION TECHNOLOGY**

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**DATE:** August 25, 2023

**TO:** All Medicare Advantage Organizations, Prescription Drug Plan Sponsors, Cost Plans, and Program of All-Inclusive Care for the Elderly Organizations

**FROM:** Jerry Mulcahy  
Director, Medicare Enrollment & Appeals Group

Jennifer Shapiro  
Director, Medicare Plan Payment Group

Cathy Carter  
Director, Enterprise Systems Solutions Group

**SUBJECT: End-of-Year 2023 Enrollment and Payment Systems Processing Information**

**Memorandum Summary**

The End-of-Year (EOY) enrollment and payment systems processing activities are critical operations that require adherence to specific activities in defined time frames to assure successful transition to calendar year (CY) 2024. This memorandum provides information to support plans in their EOY efforts regarding:

1. Medicare Advantage Prescription Drug (MARx) System Transaction Processing;
2. Rollover and Terminating Plan MARx Transaction Processing; and
3. Plan Reports and System User Interface (UI) Availability.

This memorandum provides all Medicare Advantage (MA) Organizations, Prescription Drug Plan (PDP) Sponsors, Cost Plans, and Program of All-Inclusive Care for the Elderly (PACE) Organizations (collectively referred to as “plans” unless otherwise specified) with information about the EOY processing activities and the transition to CY 2024. The dates and information included in this memorandum are final. Any other necessary changes impacting plans will be communicated promptly.

The items outlined in this memorandum regarding the 2023 EOY processing schedule and activities for the transition to CY 2024 are categorized into three major areas as shown below.

- 1. Medicare Advantage Prescription Drug (MARx) System Transaction Processing**
  - A. Plan Enrollment and Disenrollment Transaction Submission Schedule
  - B. Submitting Enrollment (Transaction Code 61) and Disenrollment (Transaction Code 51) Transactions with January 1, 2024 Effective Dates
    - (1) Enrollment and Disenrollment Transaction Submission schedule
    - (2) Retroactive Payment Adjustments
  - C. Premium Processing
    - (1) Part C Premium Processing (Transaction Code 78)
    - (2) Premium Payment Option (PPO) Processing (Transaction Code 75)
    - (3) Automatic Assignment of Segment IDs in MARx
  - D. Submissions of 2024 4Rx Data and Updates to Payer Sheets for 2024
  - E. Payment Processing for Plans Non-Renewing for 2024
    - (1) Final Settlement
- 2. Rollover and Terminating Plan MARx Transaction Processing**
  - A. CMS Generated Rollover (Enrollment) and Termination (Disenrollment) Actions
  - B. Plan Submitted Rollover (Enrollment) and Termination (Disenrollment) Actions
    - (1) Plan Submitted Rollover (Enrollment) Actions
    - (2) Plan Submitted Service Area Reduction (Disenrollment) Actions
    - (3) Plan Review of Rollover and/or Termination Actions
    - (4) Submitting January Effective Disenrollments After Rollover
- 3. Plan Reporting, Systems Access, and Availability**
  - A. October PDP Notification Files for Reassignment and for Auto/Facilitated Enrollment
  - B. Loss of Low-Income Subsidy (LIS) Information
    - (1) LIS Data Files
    - (2) LIS Changes Section 11404-Inflation Reduction Act (IRA)
  - C. Monthly Payment Reports
  - D. Access to the MARx System and Reports for Plans Non-Renewing 2024
  - E. Access to the Health Plan Management System (HPMS)
  - F. MARx System UI Availability

## **1. Medicare Advantage Prescription Drug (MARx) System Transaction Processing**

### **A. Plan Enrollment and Disenrollment Transaction Submission Schedule**

#### **Key Date Summary:**

<b>Date</b>	<b>Item</b>
October 4, 2023	Plans can begin submitting 2024 enrollment effective dates.
October 4, 2023	Plans that are approved for renewal or crosswalk exceptions by CMS that require plan submitted EOY activity must begin to submit MARx transactions by this date (See section 2.B).
October 6, 2023	October plan data due date for November payment.
October 15, 2023	Annual Enrollment Period (AEP) begins.

<b>Date</b>	<b>Item</b>
October 27, 2023 5:00PM EDT	All plan submitted rollover and disenrollments for service area reduction transactions must be submitted and accepted by this time.
October 28, 2023	CMS conducts reassignment runs.
November 1, 2023	Plans will receive Special Transaction Reply Reports (STRR) and other reports containing reassignment activity and reassignment letters sent to beneficiaries.
November 2-3, 2023	CMS conducts CMS generated rollover and termination processing.
November 3, 2023	November plan data due date for December Payment.
November 4, 2023	Plans expect to begin receiving the Daily Transaction Reply Report (DTRR) from the CMS rollover and termination process.
November 6, 2023	Transactions 75 and 78 with an effective date of 1/1/2024 will not process if submitted before this date.
November 9, 2023	Plans expect to begin receiving the Daily Transaction Reply Reports (DTRR) with transactions <u>held after</u> November 3rd.
December 7, 2023	AEP ends.
December 8, 2023	December plan data due date for January Payment
January 5, 2024	January plan data due date.

### **October 6, 2023**

As noted in the chart above, the October 2023 plan data due date (MARx “cut off”) is October 6, 2023. This date allows time for EOY transition activity and preparations for the start of the AEP on October 15, 2023.

### **November 2-3, 2023**

Due to EOY processing, CMS will place all batch files that MARx receives beginning immediately after the November 2023 plan data due date on November 3, 2023, into a holding status. These files will be held until the 2024 payment configuration tasks are complete. CMS will begin to process the files in the order received beginning on or about November 9, 2023. Plans can also expect to begin receiving their Daily Transaction Reply Reports at that time.

### **January 5, 2024**

The plan data due date for January 2024 is January 5, 2024. The CY 2024 MARx Plan Monthly Schedule is available at <https://www.cms.gov/Research-Statistics-Data-and-Systems/CMS-Information-Technology/mapdhelppdesk/MAPD-MARx-Calendars-and-Schedules.html>.

Plans are requested to submit transactions early and frequently to meet the seven-day submission requirement per CMS’ enrollment guidance. Plans must promptly reconcile all submissions and responses.

## **B. Submitting Enrollment (Transaction Code 61) and Disenrollment (Transaction Code 51) Transactions with January 1, 2024 Effective Dates**

### **(1) Enrollment and Disenrollment Transaction Submission schedule**

Plan enrollment and disenrollment transactions must be processed in accordance with CMS enrollment guidance for each specific plan type. For additional information, plans should review CMS enrollment policy guidance applicable to your plan type.

### ***Requests Received October 1, 2023 through October 3, 2023 for January 2024***

Valid requests for enrollment effective January 1, 2024, received from October 1, 2023 through October 3, 2023, must be internally processed by the plan as usual; however, the MARx transaction must be held and submitted beginning October 4, 2023. The correct values for the election type code (election period identifier) and the application date field must be used.

Note: When calculating plans' timeliness for enrollment requests received on October 1 through October 3, 2023, CMS counts enrollment transactions as timely if they are submitted October 4 through October 10, 2023 (the seven days will begin on October 4, 2023).

If a plan submits enrollment transactions effective January 1, 2024, before October 3, 2023, the transactions will either:

- FAIL: Plan receives Transaction Reply Code (TRC) 003 ("INVALID CONTRACT NUMBER"), or
- REJECT: Plan receives TRC 107 ("REJECTED; INVALID OR MISSING PLAN BENEFIT PACKAGE (PBP) NUMBER")

### ***Beginning on October 4, 2023***

Plans may begin to submit enrollment (and disenrollment) transactions for valid January 1, 2024 effective dates. These transactions must be submitted using the appropriate application date, as directed in our guidance. Plans may not manipulate the application date or other information on the transaction to inappropriately ensure enrollment in their plan or defeat otherwise appropriate systems rejections.

Plans do not have to split batch files by effective date year. Plans may submit multiple valid enrollment transactions with varying effective dates in the same MARx submission file. As is customary, plans may submit transactions for multiple contract numbers in one file.

### ***On October 15, 2023***

Plans that receive unsolicited paper AEP enrollment requests prior to the start of the AEP must submit the enrollments into MARx starting **on** October 15, 2023. **Plans must use October 15, 2023 as the application date and the AEP Election Type Code (value = A) on these transactions.** Refer to the CMS manual chapter applicable to each plan type for information about "unsolicited AEP" enrollment requests.

## (2) Retroactive Payment Adjustments

Organizations/sponsors that need to submit retroactive enrollment or disenrollment transactions, and State and County Code changes that can cause a retroactive payment adjustment after non-renewal/termination should submit corrected information to the Retroactive Processing Contractor (RPC) within 45 days from the date of its last MARx monthly payment reports. The requested corrections will be verified and, if verified, applied to the plan's member records. Payment adjustments calculated based on information updated by the RPC will be included in the plan's final settlement payment.

## C. Premium Processing

### (1) Part C Premium Processing (Transaction Code 78)

To reduce the number of Part C Premium Change transactions (TC 78) to be processed for existing enrollments at year end, the MARx system will automatically populate beneficiary records with the 2024 premium amount for a plan benefit package – any premiums for basic and mandatory supplemental benefits from the Health Plan Management System (HPMS). MARx will perform this update for **all existing** enrollees, including **those impacted by plan rollovers** via the HPMS Crosswalk.

Unless the enrollee has elected optional supplemental benefits for Part C, plans should not need to submit Part C Premium Change transactions for existing enrollments, since MARx will already be using the premium amount without the optional supplemental benefits. For enrollees who elect optional supplemental benefits with 2024 effective dates, Part C plans are required to submit Part C Premium Change transactions (TC 78) with the correct Part C premium amounts (i.e., any premiums for basic and/or mandatory supplemental benefits, plus premiums for optional supplemental benefits).

Plans **must not** submit these transactions before November 6, 2023. Part C Premium Change (TC 78) transactions for effective date January 2024 must be submitted to MARx beginning November 6, 2023, and ending on the December plan data due date of December 8, 2023, in order to be reflected in the January 2024 payment.

*If a plan misses the December 8, 2023 plan data due date, MARx will accept and process plan submitted Part C Premium Changes (TC 78, effective January 1, 2024), until the plan data due date of February 2, 2024.*

The 2024 payment/premium configurations will be processed between November 6 and November 9, 2023. After configurations are established, the Part C Premium/PPO transactions will be processed.

### No Premiums Due

For enrollees who may have been inadvertently put into a “No Premium Due” status, the “No Premium Due Data File” should be made available during the second full week of November. Plans should wait until then before submitting transactions for those enrollees.

If the Part C premium amount is composed only of elected optional supplemental benefits, and no Part D premium is due, plans should also review the “No Premium Due Data File” to identify enrollees who may have been changed to a “No Premium Due” status.

*End of Year Premium and Premium Payment Option Processing for CMS generated Rollovers*

CMS will process CMS generated rollover and termination actions on November 2 and 3, 2023. During this time, CMS will move members (or “rollover” membership) between PBPs where necessary and, in some circumstances, between contract numbers as specified in the HPMS Crosswalk.

Because the 2024 CMS generated rollover process is executed prior to when the 2024 Payment/Premium data is loaded to the MARx databases, the MARx premium process will assess the prior year’s Part C premium amount to the new plan’s Part C premium amount. If the premium amount is inconsistent between the two plans, MARx will use the minimum Part C premium amount from the new plan and will also change the PPO to direct bill. The plan is notified via the DTRR, with a TRC 144 – “PPO CHANGED TO DIRECT BILL”, and TRC 182 – “INVALID PT C PREMIUM SUBMITTED CORRECTED, ACCEPTED”.

In these cases, plans should submit both a Part C Premium Change (TC 78) and a Premium Payment Option Change (TC 75) transaction for 2024.

*(2) Premium Payment Option (PPO) Processing (Transaction Code 75)*

New premium withholding requests must be submitted by CMS to either the Social Security Administration (SSA) or Railroad Retirement Board (RRB) for confirmation before taking effect on January 1, 2024.

Plans **must not** submit these transactions before November 6, 2023. Premium Payment Option Change (TC 75) transactions for effective date January 2024 must be submitted to MARx beginning November 6 and end on the December plan data due date of December 8, 2023.

Plan PPO changes submitted to MARx after the plan data due date of December 8, 2023, will be set to “direct bill” for January 2024. The plan will be notified of this via the DTRR, with a TRC 144 – “PPO CHANGED TO DIRECT BILL”.

*(3) Automatic Assignment of Segment IDs in MARx*

CMS automates the assignment of Segment IDs for segmented MA organizations. Each State and County Code (SCC) in a plan’s service area may only belong to one segment. This enables MARx to automate the assignment of Segment IDs according to the residence SCC of the beneficiary. If a plan does not provide a Segment ID, MARx uses the residence SCC to select the appropriate Segment ID. This assigned Segment ID is returned in the DTRR.

If, for the upcoming plan year, the segments of a plan have been redefined, either because segments have been renumbered or SCCs have been mapped to different segments, MARx will automatically generate Segment Change Transactions (Transaction Type 77) to maintain impacted beneficiaries in the appropriate plan segments for the New Year. If a segment

terminates at the end of year, MARx will also automatically move impacted beneficiaries to any of the remaining active segments according to their residence SCC.

CMS continues to permit plans to submit Segment IDs as they do now. If the beneficiary is not out of area, MARx uses the submitted Segment ID rather than the system-derived one. If a beneficiary is flagged as out of area for the plan, the MARx system automatically assigns a default Segment ID. This occurs even if the plan submits a Segment ID on the enrollment transaction. When the beneficiary is assigned to a default Segment ID, the plan receives TRC 316 – “DEFAULT SEGMENT ID ASSIGNMENT”. The default segment will be the segment with the lowest premium.

Additionally, CMS may change a beneficiary’s Segment ID when notified that the beneficiary’s address has changed. The newly derived SCC is used to assign the new Segment ID. This activity generates a TRC 317 – “SEGMENT ID REASSIGNED AFTER ADDRESS UPDATE”. If the new address places the beneficiary out of area for the contract, the beneficiary is assigned the default Segment ID.

If premium withholding is requested on the enrollment transaction or the premium payment option transaction for a beneficiary assigned to a default Segment ID, it will be considered as having an out of area status, and the beneficiary’s Premium Payment Option automatically changes to “Direct Bill.” This will generate TRC 393 (“PPO CHANGED TO DIRECT BILL; OUT OF AREA”). However, if a beneficiary with established withholding moves out of area, CMS will report the default Segment ID assignment to SSA/RRB but leave the withholding status unchanged.

CMS alerts MA organizations to default Segment ID assignments and reassignments of Segment IDs due to changes in the SCC through the following defined TRCs on the DTRR:

- TRC 316, “ID ASSIGNMENT” ID ASSIGNMENT”
- TRC 317, “SEGMENT ID REASSIGNED AFTER ADDRESS UPDATE”

The segment assignment process will include service area expansions. If a plan expands the service area of a PBP, MARx will detect this change. If applicable, MARx will move impacted beneficiaries from a default segment to a segment that now contains the SCCs of their addresses and plans will receive TRC 317 – “SEGMENT ID REASSIGNED AFTER ADDRESS UPDATE”.

#### **D. Submission of 2024 4Rx Data and Updates to Payer Sheets for 2024**

*CMS Generated Enrollments:* PDPs must include 4Rx data on sponsor submitted enrollments. However, for CMS generated enrollments, plans must submit the 4Rx data within 72 hours of the plan’s receipt of the DTRR or STRR reporting these enrollments. The Plan Communications User Guide (PCUG) provides detailed information for sponsors to follow in submitting 4Rx data to CMS.

CMS has scheduled the processing of the 2024 CMS generated enrollment transactions to ensure 4Rx data are available timely. CMS will continue to monitor and report the effectiveness of these

processes through performance metrics based on pharmacy complaints as well as the completeness and timeliness of sponsor 4Rx submissions.

*Reassigned Enrollees:* PDPs will receive a STRR on November 1, 2023 reporting reassignment transactions. For these reassignment transactions, sponsors must submit the 4Rx data within 72 hours of receipt of the STRR. This will ensure that 4Rx data for the CMS-reassigned beneficiaries will be available to support pharmacy E1 queries within 96 hours of the sponsor's receipt of the STRR.

*4Rx Data Changes:* CMS also reminds PDPs to submit updated 4Rx data for all beneficiaries whose 4Rx data is changing for any reason (for example, when a PDP changes its pharmacy benefits manager (PBM)). Sponsors are required to submit the beneficiary's new 4Rx data to CMS using Transaction Code 72 if there will be a change in any of the 4Rx data elements (RxBIN, RxPCN, RxGROUP, or RxID). Under these conditions, a Transaction Code 72 change transaction must be submitted even in those situations in which the CMS contract and PBP numbers remain the same.

*4Rx Data Not Changing:* If the beneficiary's enrollment information (that is, contract number and PBP number) and all the 4Rx data elements are not changing for CY 2024, it is not necessary to submit a Transaction Code 72 4Rx Data Change transaction.

*Payer Sheets:* In addition to updating members' 4Rx data as required, PDPs are reminded to update their payer sheets to reflect any billing changes associated with their 2024 Part D benefits, including changes in plan names, BIN/PCNs, or any other relevant billing information. Updated payer sheet changes should be communicated to all contracted pharmacies as soon as possible.

## **E. Payment Processing for Plans Non-Renewing for 2024**

### **(1) Final Settlement:**

CMS's final settlement process lasts for a minimum of 18 months after the end of the calendar year in which the contract ended with CMS. As part of the final settlement process, it is important for plans to understand that all applicable reconciliations must process before CMS will officially calculate, disburse, or collect any final settlement payment. Therefore, no payment disbursements or collections will occur between any reconciliation. For contracts ending in 2023, these reconciliation processes include:

- 1) 2023 Final Risk Adjustment reconciliation
- 2) 2023 Part D annual reconciliation
- 3) 2023 Coverage Gap Discount Program annual reconciliation; and
- 4) 2023 Medical Loss Ratio remittance

Plans can expect to receive a final settlement package from CMS after July 2025 explaining whether the plans will receive or owe CMS a settlement payment. In part of delivering the final settlement package to the organizations/sponsors, CMS will include all the Monthly Membership Reports (MMRs) created from the time the contract ended until the month the final settlement



was processed. These reports will include details for retroactive payment adjustments that accumulated after the contract ended.

However, it is important to note that plans that fail to comply with their remaining data submission requirements may delay the receipt of their final settlement payment. Questions regarding the final settlement process may be emailed to [James.Krall@cms.hhs.gov](mailto:James.Krall@cms.hhs.gov).

## **2. Rollover and Terminating Plan MARx Transaction Processing**

In certain instances, MARx will create a rollover or disenrollment transaction, and in others it will not. Please review the scenarios below and take the appropriate action (if applicable).

When the renewal from CY 2023 to CY 2024 does not result in any change to the contract and PBP number, no MARx enrollment action is necessary for membership to continue to be enrolled in 2024. It is not necessary to submit 4Rx data for such membership unless there has been a change to the 4Rx data itself (please see section 1. D. of this memo for additional information on 4Rx data requirements).

There are two types of rollover (enrollment) and termination (disenrollment) actions in MARx:

- (A) CMS generated actions; and
- (B) Plan submitted actions.

Only those plans with approved HPMS crosswalk exceptions that require plan submitted actions may submit such actions and must adhere to the instructions and timeframes provided in this guidance.

### **A. CMS Generated Rollover (Enrollment) and Termination (Disenrollment) Actions:**

CMS will process CMS generated rollover and termination actions on **November 2 and 3, 2023**. During this time, CMS will move members (or “rollover” membership) between PBPs where necessary and, in some circumstances, between contract numbers as specified in the HPMS Crosswalk. CMS will disenroll all remaining members of terminating PBPs and contract level Service Area Reductions (SARs) effective January 1, 2024. The CMS generated rollover and termination process can accommodate the following scenarios:

- All enrollees in a 2023 PBP with no segments moving to a 2024 PBP with no segments.

**Example 1:** Plan A PBP 001 has Howard, Calvert and Cecil Counties and the rollover request includes Howard, Calvert, and Cecil Counties to be moved to Plan A PBP 009.

- All enrollees in a 2023 PBP/segment moving into a 2024 PBP/segment.

**Example 2:** Plan A PBP 001/001 has Howard, Calvert and Cecil Counties and the rollover request includes Howard, Calvert, and Cecil Counties into Plan B PBP 001/001.

- All enrollees in a 2023 PBP/segment rolling over to multiple 2024 PBPs/segments, as long as each 2023 service area is moving to a single other 2024 PBP/segment and that service area is not overlapping with another 2024 PBP/segment.

**Example 3:** Plan A PBP 001/001 has Prince Georges, Frederick, and Anne Arundel Counties and the rollover request for Prince Georges and Frederick Counties into Plan A PBP 001/005 and Anne Arundel County into Plan A PBP 001/007.

- All enrollees in a 2023 PBP with no segments rolling over to multiple 2024 PBPs or PBP/segments, as long as each 2023 service area is moving to a single other 2024 PBP/segment and that service area is not overlapping with another 2024 PBP/segment.

**Example 4:** Plan A PBP 001 has Prince Georges, Frederick, and Anne Arundel Counties and the rollover request for Prince Georges and Frederick Counties into Plan A PBP 003 and Anne Arundel County into Plan A PBP 006.

- All enrollees in a 2023 contract approved for a contract level SAR that have a SCC within the service area being reduced.

**Example 5:** If Plan A serves Anne Arundel County in 2023 and will no longer cover Anne Arundel County in 2024 in any of the plans' service area.

**NOTE: Failure to include ALL counties in the rollover request will result in the beneficiaries in that missing county to be disenrolled.**

**MARx will be moving beneficiaries based on the SCC of the beneficiary's Residence Address. If the beneficiary does not have a Residence Address, then MARx will move the beneficiary based on the SSA address. CMS strongly encourages plans to review and update the beneficiary's address prior to the beginning of the Plan submitted rollover process. If the plan receives a TRC 261 "REJECTED; INCOMPLETE RESIDENCE ADDRESS INFORMATION" while updating a beneficiary's residence address, the plan should report the issue to the MAPD Help desk and submit a SCC change to the RPC.**

The transactions created by CMS generated rollover and termination will appear on the normal November 4, 2023 DTRR. CMS generated rollover enrollment transactions will have a response of TRC 100 "PBP CHANGE ACCEPTED AS SUBMITTED" or TRC 011 "ENROLLMENT ACCEPTED AS SUBMITTED" or TRC 016 "ENROLLMENT ACCEPTED, OUT OF AREA", an effective date of January 1, 2024, and the value "D" in field 37 (the Enrollment Source Code). CMS generated disenrollment transactions will have a response of TRC 018 "AUTOMATIC DISENROLLMENT" on a Transaction Code 51 disenrollment transaction and an effective date of January 1, 2024.

Plans that are non-renewing their entire contract as of December 31, 2023, as well as plans that are renewing their contracts but terminating an entire PBP (or multiple PBPs), as of December 31, 2023, do **not** need to submit MARx disenrollment transactions (TC 51) to

complete the disenrollment effective December 31, 2023. Affected beneficiaries do not need to request disenrollment.

However, plans must submit transactions for members who request disenrollment for an effective date **prior** to the non-renewal/termination date of December 31, 2023. For example, plans must process a valid request for a disenrollment that is effective December 1, 2023, and submit a TC 51 disenrollment transaction to report that disenrollment. A 2023 plan terminating entirely must complete these actions while the plan has access to CMS systems.

When a plan submits a beneficiary enrollment with an effective date of November 1, 2023, or December 1, 2023 after CMS Annual Rollover, into a plan that is rolling over at the end of the year, or a plan is reducing its service area and the reduction will affect the applicable beneficiary, the affected plan will receive TRCs indicating that the beneficiary is enrolled in the requested plan as of November 1, 2023, or December 1, 2023, as applicable, and an enrollment into the cross-walked plan, effective January 1, 2024. CMS will automatically generate the enrollment into the 2024 plan pursuant to the plan's approved crosswalk or crosswalk exception. These enrollments will appear on the normal DTRR. It is critical that plans review the applicable DTRR promptly to ensure that the appropriate enrollment into the 2024 plan occurs.

If you submit an enrollment transaction for a beneficiary resulting in an auto-rollover, after CMS rollover occurs and before January 1, 2024, make sure to verify that your beneficiaries are enrolled in the correct PBP for 2024. If the beneficiary is placed into the incorrect 2024 PBP, the plan may submit a transaction to correct the PBP. When submitting a corrected transaction, the plan will need to use the same application date and Election Type Code = X for the same Contract, but different PBP.

### **B. Plan Submitted Rollover (Enrollment) and Termination (Disenrollment) Actions:**

If a plan received approval from CMS for a CY 2024 crosswalk exception, it should be aware of which crosswalk scenarios will be processed by CMS, and which scenarios will require plan submitted MARx transactions to accomplish the actions. To see which approved CY 2024 crosswalk exceptions require a plan submitted rollover (POVER), plans should access the Plan Crosswalk Report in HPMS (HPMS > Bid Reports > CY 2024 > Plan Crosswalk Report). Plans will need to click on the 2024 plan identification number in the chart. If the "Approved Crosswalk Exception" column says "Yes (not passed in RIC AK - plan action required)", the Plan will need to submit a POVER. Plans should also review the scenarios mentioned in section 2.A. above. Plans that have received approval will see a second crosswalk chart with the approved MARx enrollment transaction exceptions.

Only certain, limited renewal scenarios and certain limited SAR scenarios will require plan submitted actions. Most renewal/non-renewal scenarios do not. Do not submit transactions to accomplish this activity unless necessitated by your organizations' CMS approved renewal/non-renewal scenario.

The accuracy and timeliness of the plan submitted activity is critically important. CMS will monitor plans with CMS approved crosswalk exceptions that require enrollment or disenrollment

activity. Failure to comply with all the requirements below, and any other CMS direction for this activity, will be referred to CMS Account Management for review.

### **(1) Plan Submitted Rollover (Enrollment) Actions:**

A plan submitted rollover (enrollment) MARx transaction is only allowed in the case of a CMS approved crosswalk exception scenario that requires this activity. When trying to determine if you need a POVER, if any of your scenarios matches any of the statements below you **must** submit a POVER.

You have submitted a crosswalk exception that has been approved by CMS, **and** one of the following;

- a. You have a 2023 PBP that is rolling over into multiple PBPs and one or more service areas are overlapping in multiple 2024 PBPs.

**Example 1:** Plan A PBP 001 has Anne Arundel County, Frederick County, and Queens County and the CMS automatic rollover moves Anne Arundel County and Frederick County to Plan A PBP 002. However, Queens County will be included in multiple PBPs 003 and 004. Plan A will need to submit a POVER to move the beneficiaries into PBP 003 and 004.

- b. You are a dual eligible special needs plan (D-SNP) look-alike, and you are moving beneficiaries with full-benefit dually eligible status to 1 PBP and your partial-benefit dually eligible or non-dually eligible beneficiaries to another PBP.

**Example 2:** A D-SNP look-alike and is moving full-benefit dually eligible beneficiaries into Plan A PBP 002 and moving partial-benefit dually eligible or non-dually eligible beneficiaries into Plan A PBP 003. The D-SNP look-alike (that is going away for CY 2024) will need to submit a POVER to move the beneficiaries into PBPs 002 and 003.

- c. You have a D-SNP that has a change in populations that requires the full-benefit dual eligible members to be in a separate PBP from the partial-benefit dual eligible members.

**Example 3:** Plan A has a D-SNP PBP 001 with full-benefit dually eligible and partial-benefit dually eligible beneficiaries in CY 2023. However, for CY 2024, Plan A will separate the partial-benefit dual eligible beneficiaries into PBP 002. Plan A will need to submit a POVER to move the partial-benefit dual beneficiaries into PBP 002.

**NOTE:** Failure to move full-benefit dually eligible beneficiaries or the partial-benefit dual beneficiaries that need a POVER transaction prior to CMS Annual Rollover and Termination will result in the beneficiaries being disenrolled.

**Beginning on October 4, 2023** Plans that have been approved for renewal or crosswalk exceptions by CMS, that require plan submitted rollover activity must submit MARx enrollment transactions beginning **October 4<sup>th</sup>**, and no later than **October 27, 2023, 5 p.m. EDT**, to complete the rollover of enrollees to the correct PBP (and in some cases, contract number) effective January 1, 2024. For an approved crosswalk from a CY 2023 PBP to a different PBP number within the same contract number, or in a different contract number within the same parent organization for CY 2024, plans must submit one or more Plan Submitted Rollover special batch files. Before submitting a POVER file, the plan must submit a Special Batch File Request. For details on how to submit the request and how to submit the POVER file, please refer to the PCUG at: [https://www.cms.gov/Research-Statistics-Data-and-Systems/CMS-Information-Technology/mapdhelppdesk/Plan\\_Communications\\_User\\_Guide](https://www.cms.gov/Research-Statistics-Data-and-Systems/CMS-Information-Technology/mapdhelppdesk/Plan_Communications_User_Guide). The POVER process is in section 8.5.3, View Special Batch File Request (M317) Screen section.

Plans identified as a CY 2023 D-SNP look-alikes that have a transition plan and crosswalk exception approved by CMS must submit their POVER transactions no later than October 10, 2023. *D-SNP look-alikes that are moving 100% of their membership to a new plan do not need to submit a POVER transaction.*

Use the Transaction Code 61 enrollment transaction. All plans submitting enrollment transactions for these limited, previously approved circumstances **must submit these actions accurately on October 4, 2023, through October 27, 2023 5 p.m. EDT** in a POVER file (or files, as necessary) separate from any other MARx submission activity. Plans must use the following specific data elements on each transaction:

- Transaction code = 61
- Application date = October 1, 2023
- Effective date = January 1, 2024
- Election type code = “C”
- Enrollment source code = “N”

## **(2) Plan Submitted Service Area Reduction (Disenrollment) Actions:**

Plans that have an approved SAR may or may not be required to submit TC 51 Disenrollment transactions as follows:

- If the approved SAR results in the termination of an entire PBP, CMS completes the disenrollment as described in section 2. B.
- If the approved SAR is at the contract level, CMS completes the disenrollment as described in section 2. B.
- If the approved SAR is at the PBP or segment level, and there is no approved crosswalk exception, the plan must submit the disenrollment transactions as described below.

**Example 1:** Plan A PBP 001 has Prince Georges, Frederick, and Anne Arundel Counties and the rollover request includes moving Prince Georges and Frederick Counties to Plan A PBP 003 and Anne Arundel County is terminating. The plan must submit a disenrollment transaction for the beneficiaries in Anne Arundel County.

**Example 2:** Plan A PBP 001/001 has Prince Georges, Frederick, and Anne Arundel Counties and the rollover request includes Prince Georges and Frederick Counties in Plan A PBP 001/005 and Anne Arundel County is terminating. The plan must submit a disenrollment transaction for the beneficiaries in Anne Arundel County.

**NOTE:** For example 2, if the plan does not submit a disenrollment for the SAR for Anne Arundel County, the beneficiaries will continue to remain enrolled in the contract/PBP.

**On October 27, 2023, no later than 5 p.m. EDT**

In limited CMS approved circumstances, such as when an MA organization reduces the service area of a CY 2024 MA PBP/PBPs and only a portion of the PBP is affected, the MA organization must submit disenrollment transactions to disenroll only the beneficiaries from the PBP/PBPs affected by the SAR that are not being rolled over to a new 2024 Plan. MA organizations submitting disenrollment transactions under these circumstances **must submit MARx disenrollment transactions by October 27, 2023, no later than 5 p.m. EDT**, using the following data elements:

- Transaction Code = 51
- Effective date = January 1, 2024 (for December 31, 2023 disenrollment)
- Election type code = “X”
- Disenrollment Reason Code = 92

Plan submitted termination (disenrollment) actions must be submitted in a batch file (or files, as necessary) separate from any other MARx submission activity. Successful transactions will receive a MARx response TRC 013 (“DISENROLLMENT ACCEPTED AS SUBMITTED”).

**New enrollments into a SAR Plan**

If, after rollover occurs and manual disenrollment transactions have been submitted, a beneficiary elects to join a plan that will no longer be available to them due to a SAR in 2024, MARx will automatically process a disenrollment effective December 31, 2023. For example, if a beneficiary joins a plan for an effective date of November 1, 2023, but that plan will not be available to the beneficiary in 2024 due to a SAR, MARx will disenroll that beneficiary effective January 1, 2024, after the enrollment is submitted. Even though the plan will only be available to the beneficiary for two months, the beneficiary may still have a valid election to enroll in the plan before the SAR. MARx will then automatically remove the 2024 enrollment. All other guidance regarding terminations, SARs, and disenrollments, including notification to the beneficiary, still apply.

**(3) Plan Review of Rollover and/or Termination Actions:**

***CMS Rollover and Termination Actions***

Beginning November 10, 2023 and after receipt of the DTRR, plans should verify that all members are enrolled in the correct contract and PBP. If a beneficiary was not rolled over according to the plan’s crosswalk information in HPMS, contact the MAPD Help Desk.

### ***Plan Rollover and Termination Actions***

D-SNP look-alike must adjust and resubmit transactions **before October 10, 2023 at 5 p.m. EDT**. All other Plan types must adjust and resubmit transactions **before October 27, 2023 at 5 p.m. EDT**. Correct effective and application dates must be used as noted above. Please do not wait until the deadline to conduct your plan review.

By October 27, 2023, no later than 5 p.m. EDT, make sure to review all the DTRRs you have received during the POVER timeframe. Ensure all rollover related enrollments and disenrollments were successful or rejected for an appropriate reason. After rollover activity has occurred, use all available CMS reports, such as the MMR and DTRR, to reconcile CMS data with your system's internal data. Plans are not required to send enrollment or disenrollment notification letters upon successful rollover. All rollover activity should be transparent to the beneficiary. The Annual Notice of Coverage (ANOC) and other required communications should be sent as usual.

### **(4) Submitting January Effective Disenrollments after Rollover**

After CMS has performed the annual rollover on November 2 and 3, 2023, plans **will be** able to submit disenrollments with an effective date of December 1, 2023 for beneficiaries that have been rolled over. These beneficiaries will have an enrollment end date of December 31, 2023, and an enrollment start date of January 1, 2024, with an enrollment source code of "D" for rollover. If the beneficiary decides to disenroll effective December 1, 2023, MARx will shorten the enrollment with a November 30, 2023 end date and remove enrollment for the 2024 gaining plan.

If a beneficiary makes a valid request to disenroll effective December 1, 2023 or January 1, 2024 and the plan is unable to submit the disenrollment transaction to MARx before December 8, 2023, the plan should submit a category two submission package to the RPC via the Electronic Retroactive Processing Transmission (eRPT) application to have the beneficiary disenrolled. This will result in a removal of the enrollment in the 2024 plan.

## **3. Plan Reports, System Access, and Availability**

### **A. October PDP Notification Files for Reassignment and for Auto/Facilitated Enrollment**

On or about November 1, 2023, CMS will transmit to certain plans the files described in the forthcoming HPMS memoranda "2024 Reassignment of Low-Income Subsidy Beneficiaries in Prescription Drug Plans" and "2024 Reassignment of Low-Income Subsidy Beneficiaries in Non-Renewing Medicare Advantage Plans and Medicare Advantage Plans Reducing their Service Areas." These files include the reassignment notification file (also called the address file). They will provide a listing of low-income subsidy (LIS) eligible beneficiaries whom we will reassign to a new plan effective January 1, 2024. In the rare occasion a reassigned beneficiary contacts the plan to indicate that they wish to remain with the plan for the following year, the plan should send the case to the RPC to cancel the enrollment into the new plan and remain in the "losing" plan.

On or about November 1, 2023, CMS will transmit to certain PDPs a STRR containing the confirmed enrollments and disenrollments resulting from the reassignment.

**NOTE:** Use the STRR that will be issued on or about November 1, 2023 to submit 4Rx data. This file will contain the confirmed enrollments that result from the reassignment process. MARx cannot accept the 4Rx data until the enrollment is recorded.

## **B. Low-Income Subsidy (LIS) Information**

### **1. LIS Data Files**

CMS sends two Loss of LIS data files to PDPs each fall. The first file is sent in October and identifies members who will no longer have the LIS as of January 1, 2024. The first file is for information purposes only. During the week of September 6, 2023, CMS and SSA will jointly mail these individuals personalized letters printed on grey paper explaining the loss of LIS and an SSA LIS application for Extra Help for them to complete and return.

CMS expects PDPs to contact, by phone or mail, every member who will no longer qualify automatically for LIS beginning in 2024 to encourage them to apply for Extra Help and to assist them through the process. The HPMS memorandum titled “Re-Determination of Part D Low-Income Subsidy Eligibility for 2024” issued on June 30, 2023 contains additional information.

The second file will be sent in mid-December and will be an updated version of the October file, indicating those beneficiaries who still no longer have the LIS as of January 1, 2024. The file format can be found in the PCUG. This file should be processed through normal plan processes.

### **2. LIS Changes Section 11404-Inflation Reduction Act (IRA)**

CMS is working with the Social Security Administration (SSA) on implementation of Section 11404 of the Inflation Reduction Act that expands eligibility for the full LIS benefit effective January 1, 2024. There are no Plan system changes required, and no change in the LIS notification to plans regarding loss of LIS deemed status; however, plans should anticipate an increase in TRC 121- “LOW INCOME PERIOD STATUS”. Plans will no longer receive LIS category 4 on the Transaction Reply Reports. Instead, effective 2024, plans will only receive LIS category 1, 2, or 3. For more information on file processing, please refer to the HPMS memorandum titled *Redetermination of Part D Low-Income Subsidy Eligibility for 2024* issued on June 30, 2023.

## **C. Monthly Payment Reports**

The standard monthly payment reports for January 2024 will be sent to plans on or about December 21, 2023. Plans should carefully review all CMS reports including the January 2024 MMR to ensure that all enrollees are in the correct PBP. Please contact the MAPD Help Desk for questions and problems.



#### **D. Access to the MARx system and Reports for Plan non-renewing 2024**

To comply with federal privacy and security laws and guidance, CMS must disable system access for all users when a contract has ended. Access to data for a contract that has terminated will be disabled in Identity Manager (IDM) and MARx 60 days after the contract ends.

In addition, MARx will no longer push monthly payment reports (i.e., Daily Transaction Reply Data File, Monthly Membership Data File, Plan Payment Report) to organizations/sponsors via TIBCO/GENTRAN after 60 days of the contract's termination, and CMS will cease the distribution of the monthly Plan Payment Report (PPR) after December 31, 2023.

#### **E. Access to the Health Plan Management System (HPMS)**

Plans may retain access to HPMS to perform reporting functions (e.g., DIR, MLR, risk adjustment overpayments, cost reports, and complaint resolution) that continue after the CMS contract has ended. Users must complete the annual user recertification process and maintain their password to retain their CMS user ID.

#### **F. MARx System UI Availability**

The MARx User Interface (UI) is scheduled to remain available through November 1, 2023. The MARx UI will be in "Read-Only" mode on November 2 and 3, 2023, during rollover and termination processing. CMS anticipates the MARx UI to also be in "Read-Only" mode from November 4, 2023 to November 9, 2023 to enable time to process the December 2023 payment as well as 2024 payment configuration activities. During the MARx UI "Read-Only" timeframe, all transactions including Transaction Reply Reports, and Coordination of Benefits-Other Health Insurance (COB-OHI) files will be held.

Thank you in advance for your assistance. Please take appropriate and timely action as required. If you have any questions about the information contained in this memorandum, please contact:

- The MAPD Help Desk at 1-800-927-8069 or [MAPDhelp@cms.hhs.gov](mailto:MAPDhelp@cms.hhs.gov) for MARx issues and any preparation activities or questions relating to EOY activities; or
- Account Managers for all other issues.