

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



CENTER FOR MEDICARE

DATE: August 17, 2021

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

FROM: Jennifer R. Shapiro, Medicare Plan Payment Group

SUBJECT: Medicare Advantage/Prescription Drug System (MARx) September 2021 Payment – INFORMATION

This letter provides information about the September 2021 Medicare Advantage/Prescription Drug payment, which is scheduled for receipt on September 1, 2021.

Medicaid Statuses on the August Monthly Membership Report (MMR)

Please be advised that, as a result of an error in a regular update to the Medicare Advantage Prescription Drug system (MARx) regarding a change in Medicaid full/partial dual to non-dual eligibility status, the August payments on the MMR reflect the nondual eligible risk adjustment factor as part of the beneficiary level payment. The error was corrected and the September prospective payment ongoing will utilize the correct full/partial dual eligible risk factor. On the October 2021 MMR, any payment adjustments/discrepancies from the August monthly payment related to this error will include Adjustment Reason Code (ARC) 10 (Retroactive Medicaid Status).

National Medicare Education Campaign (NMEC) / Coordination of Benefits (COB) User Fees for 2021

Per section 1857(e)(2) of the Social Security Act, plans will be charged cost-sharing for enrollment-related costs (the NMEC fee). For the September payment only, in order to finish collecting the required MA-PD National Medicare Education Campaign (NMEC) user fee of \$86.3M and the PDP NMEC user fee of \$13M in FY 2021, the collection percentages have changed for the September payment. The percentage used for the MA-PD NMEC was lowered from 0.031% to 0.029%, and the percentage used for the PDP NMEC was raised from 0.030% to 0.114%. The monthly Coordination of Benefits (COB) user fee rate remains the same at \$0.1166 cents per Part D member.

Sequestration Suspension

The Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”), enacted on March 27, 2020, suspended the sequestration of Medicare programs between May 1, 2020, and December 31, 2020. The Consolidated Appropriations Act, 2021, enacted December 27, 2020, extended this suspension for three more months, through March 31, 2021. H.R. 1868, enacted on April 14, 2021, further extends the suspension through December 31, 2021.

Based on the current statute, sequestration will continue to be suspended for prospective payments through December 2021 payments. CMS will resume standard sequestration reductions beginning with January 2022 payment for Medicare Advantage, Programs of All-Inclusive Care for the Elderly, Medicare-Medicaid Plans, section 1876 and 1833 cost-based Managed Care Organizations, and Part D.

Changes to MARx Plan Transaction Processing

Batch Input Transaction Data File Name

As announced in the *May 2019 Detailed Release Memo*, issued through the Health Plan Management System (HPMS) on 04/11/2019, CMS installed changes so that the Enterprise Identity Management (EIDM) User ID is used when sending the Batch Input Transaction Data File to MARx. For the Batch Input Transaction Data File to process successfully, and to receive a Batch Completion Summary Report (BCSS), plans should not submit files with the same date and time in the file name. This will cause a MARx system error and prevent the system from generating the BCSS.

Extension of the Transition Period for Submitting MARx Batch Input Header Record

CMS has extended the transition to December 31, 2021, for plan submitters to use both the old and new MARx Batch Input Detail submission files.

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.