FEBRUARY 2004 PAYMENT RATE INFORMATION

The Medicare Modernization Act of 2003 (MMA) authorized the creation of a revised rate book for 2004. The new rates are to be effective for 12 months. This letter describes the operational implementation of this policy.

The revised rate tables were not available until after the January 1, 2004 payment was made to the Managed Care Organizations (MCOs). It was not considered feasible that the CMS Payment system could compute adjustments for all MCO members in an acceptable timeframe. Therefore, CMS developed an interim rate table to be used in the computation of the February 1, 2004 payment. This interim rate book will, in effect, result in a February payment that accounts for the MMA rates being used in January and February (even though they were not). Beginning in March, the MMA rate book posted on the website (http://www.cms.hhs.gov/healthplans/rates/default.asp) will be used.

For 2004, the CMS payment system will utilize 3 different rate books; one each for January, February and March – December.

To assist you in reconciling your February payments and adjustments, we have created files that contain the M+C rates and the Risk Adjustment rates that were used. The file layouts are attached. They can be downloaded by your company.

February 2004 Rate Data
Data files have been created for your organization to access and download. Your company may download these files directly by using the following naming convention.

OG00.@BGD5050.RAT2004.MCOFEB.DATA
OG00.@BGD5050.RAT2004.MCOFEB.RISKADJ

Download Process
This process will be conducted by using the AT&T Global Network Dialer. February Rate files have been created and are available for each MCO. Use the same procedures that you normally do (per section 6 in the Plan Communications User's Guide) download the files.
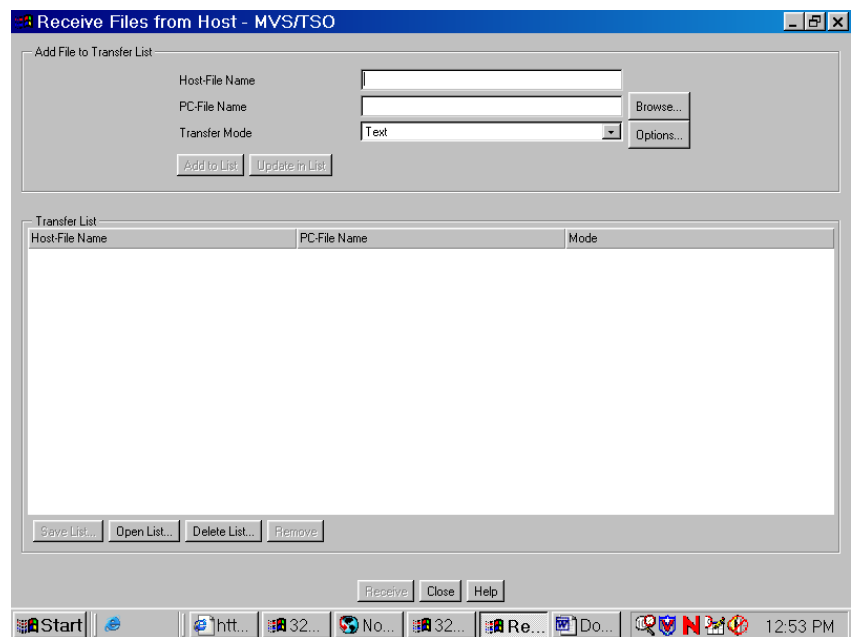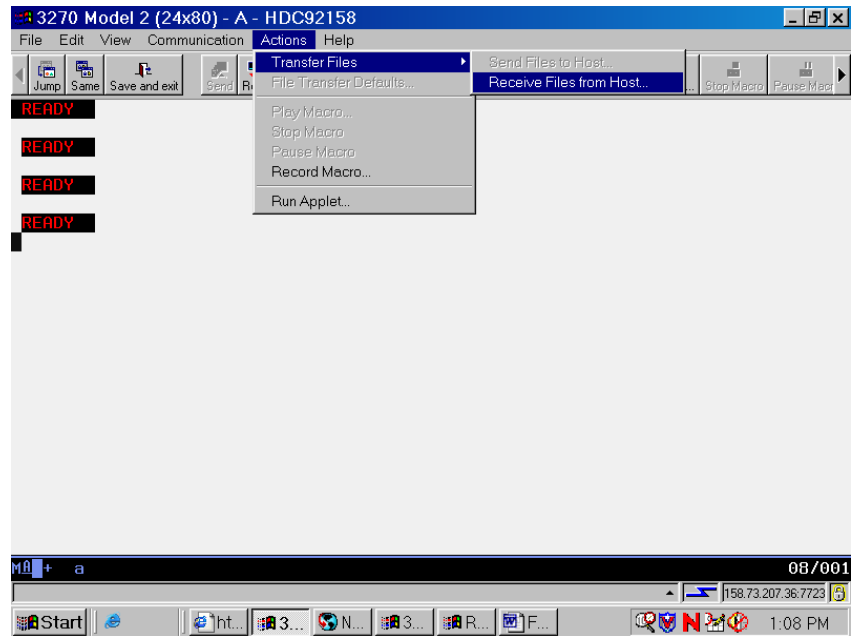
Note: GROUCH is not used in this download. Your company does not have to build a transmit file. Just use the naming conventions that were listed above.
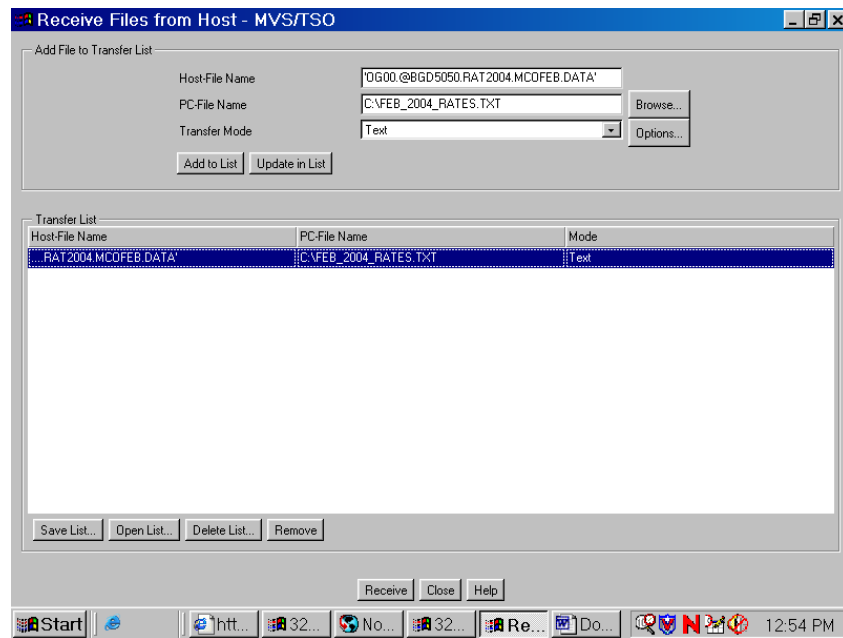

After you connect to the CMS Data Center, press ENTER, select 1 - TSO from the CMS (HCFA) Application Menu screen, login and proceed as follows.

- Go to the **TSO READY prompt** by pressing F3 OR entering **=X** on the command line of the ISPF menu. <u>Do not proceed with the next step until the READY prompt appears.</u>

- Click on **ACTIONS** and then **RECEIVE FILES FROM HOST**.

- In the HOST FILE NAME block, type (in single quotes) '[OG00.@BGD5050.RAT2004.MCOFEB.DATA](#)' **OR** '[OG00.@BGD5050.RAT2004.MCOFEB.RISKADJ](#)'

- In the PC FILE NAME block, type C:\PC FILE NAME (the name the user gives the report, Exp- **C:\Rate_2004_February.txt**)

- Click on **OPTIONS** and be sure that **ASCII and CRLF** appears in the box.

- Click on **OK** on the FILE TRANSFER OPTIONS.

- The TRANSFER MODE box should read **TEXT**.

- Click on **ADD TO LIST**.

- Click one time on the entry in the TRANSFER LIST block.

- Click on **RECEIVE**.

The user will begin to see the file transfer.

<u>The following screens describe the above procedure.</u>

3270 Model 2 (24x80) - A - HDC92158

File   Edit   View   Communication   Actions   Help

Jump Same Save and exit Send Re... Stop Macro Pause Macr

Transfer Files   →   Send Files to Host...
File Transfer Defaults...   Receive Files from Host...

Play Macro...
Stop Macro
Pause Macro
Record Macro...

Run Applet...

READY

READY

READY

READY

MA +   a   08/001

158.73.207.36:7723

Start | ht... | 3... | N... | 3... | R... | F...   1:08 PM

Receive Files from Host - MVS/TSO

Add File to Transfer List

Host-File Name   [   ]
PC-File Name   [   ]   Browse...
Transfer Mode   [Text   ▼]   Options...

Add to List   Update in List

Transfer List

Host-File Name   PC-File Name   Mode

Save List...   Open List...   Delete List...   Remove

Receive   Close   Help

Start | htt... | 32... | No... | 32... | Re... | Do...   12:53 PM

Receive Files from Host - MVS/TSO

Add File to Transfer List

Host-File Name: 'OG00.@BGD5050.RAT2004.MCOFEB.DATA'
PC-File Name: C:\FEB_2004_RATES.TXT   Browse...
Transfer Mode: Text   Options...

Add to List   Update in List

Transfer List

Host-File Name	PC-File Name	Mode
...RAT2004.MCOFEB.DATA'	C:\FEB_2004_RATES.TXT	Text

Save List...   Open List...   Delete List...   Remove

Receive   Close   Help

Start | http... | 32... | No... | 32... | Re... | Do... | 12:54 PM

Contact Information

If you have any questions regarding the downloading of the February 2004 rate files, please contact the central office technical staff listed below.

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ATTACHMENT 1 – M+C RATE FILE LAYOUT
OG00.@BGD5050.RAT2004.DATA.MCOFEB

The top of this file contains the demographic cost factors. Scroll down the file until you reach the rates associated with your MCO.

COLUMNS	DATA ELEMENT
1 – 5	State and County Code
6 – 13	State Name
14 – 41	County Name
42 – 47	Part A Aged M+C Rate
48 – 53	Part B Aged M+C Rate
54 – 59	Part A Disabled M+C Rate
60 – 65	Part B Disabled M+C Rate
66 – 71	Part A ESRD Rate
72 – 77	Part B ESRD Rate

ATTACHMENT 2 – RISK ADJUSTMENT RATE FILE LAYOUT
OG00.@BGD5050.RAT2004.RISKADJ.DATA.MCOFEB

COLUMNS	DATA ELEMENT
1 – 5	State and County Code
6 – 13	State Name
14 – 41	County Name
42 – 47	Part A Risk Adjustment Rate
48 – 53	Part B Risk Adjustment Rate