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

CENTER FOR MEDICARE

DATE: October 1, 2019

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

FROM: Jennifer R. Shapiro, Acting Director, Medicare Plan Payment Group

SUBJECT: Medicare Advantage/Prescription Drug System (MARx) October 2019 Payment –
                 INFORMATION

This letter provides information about the October 2019 Medicare Advantage/Prescription Drug
payment, which is scheduled for receipt on October 01, 2019.

Second 2018 Final Risk Adjustment Reconciliation
The second final 2018 risk adjustment reconciliation adjustments are included in the October
2019 payment. The updated risk scores are based on diagnoses with dates of service from
January 1, 2017 to December 31, 2017 submitted by 8:00 PM on January 31, 2019. The payment
adjustments will appear on the October 2019 Monthly Membership Report (MMR) with
Adjustment Reason Code (ARC) 25 – Part C Risk Adjustment Factor Change/Recon, and ARC
37 – Part D Risk Adjustment Factor Change.

Coverage Gap Discount (CGD) Invoice Offsets
The CGD invoice offsets are included in the October 2019 payment. There are offsets for 2018
and 2019. They appear in separate lines on the Plan Payment Report (PPR) with an adjustment
type code "CGD."

New Medicare Card Project Transition Period – MARx Reminder
During the New Medicare Card Project transition period (04/01/2018 – 12/31/2019) Medicare
Advantage and Part D plans have been able to submit MARx transactions and search the User
Interface (UI) using either the Health Insurance Claim Number (HICN) or the Medicare
Beneficiary Identifier (MBI).

The New Medicare Card Project transition period is scheduled to end on December 31, 2019.
When the transition period ends, the MARx system will only accept the MBI. Plans will no
longer be able to use the HICN for any batch or MARx UI transactions. Data submitted
containing a HICN will reject as an invalid Beneficiary ID error.

Changes to MARx Plan Transaction Processing

Batch Input Transaction Data File Name
As announced in the *May 2019 Detailed Release Memo*, published in the Health Plan Management System (HPMS) memorandum 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. In order 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 will extend the transition period end date from August 31, 2019 to December 31, 2019 when plan submitters can transmit both the old and new MARx Batch Input Detail submission files. After December 31, 2019, plan submitters will be required to submit files using the new format.

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.