



**DATE:** August 22, 2025

**TO:** All Medicare Advantage, Prescription Drug Plan, Cost, PACE, and Demonstration Organizations Systems Staff

**FROM:** Jennifer R. Shapiro, Director, Medicare Plan Payment Group, Center for Medicare  
Cathy Carter, Director, Enterprise Systems Solutions Group, Office of Information Technology

**SUBJECT:** Announcement of the MARx Software Release

This letter provides detailed information regarding the planned release of systems changes scheduled for the Medicare Advantage and Prescription Drug system (MARx) in August and October 2025. The updates described in this communication will be included in the November 2025 Plan Communications User Guide (PCUG). Yellow highlighting in this memo indicates changes that will be updated in the PCUG with this software release.

This software release will include the following system changes and policy clarifications consistent with the provisions of the Inflation Reduction Act of 2022 (IRA) (P.L. 117-169):

1. [Medicare Prescription Payment Plan \(MPPP\) – Software Update for Non-Calendar Year Employer Group Waiver Plans \(EGWP\) \(August\)](#)
2. [MPPP – Policy Clarification on Plan Use of MPPP Termination Reason Codes](#)
3. [MPPP – Instructions for Automatically Renewing Participants for CY2026](#)
4. [Selected Drug Subsidy \(SDS\) Prospective Part D Payment in MARx \(November\)](#)

Plans are encouraged to contact the MAPD Help Desk for any issues encountered during the systems update process. Please direct any questions or concerns to the MAPD Help Desk at 1-800-927-8069 or e-mail at [mapdhelp@cms.hhs.gov](mailto:mapdhelp@cms.hhs.gov).

**1. Medicare Prescription Payment Plan (MPPP) - Software Update for Non-Calendar Year Employer Group Waiver Plans (EGWP)**

CMS has implemented a MARx software enhancement to allow non-calendar year EGWPs to submit MPPP records that align with the plan's non-calendar year benefit period. Prior to this software enhancement, MPPP transactions for all plan types would be rejected if the effective date and termination date were in different calendar years. This created reporting difficulties for non-calendar year EGWPs that do not administer the Part D benefit on a calendar year basis. Non-calendar year EGWPs can now submit MPPP TC 95 transactions that span two calendar years as long as the MPPP

effective and termination dates are no more than 12 consecutive months apart. This flexibility only exists for non-calendar year EGWPs; for all other plan types, the MPPP termination date may not be later than 12/31 of the calendar year of the effective date.

**Example for non-calendar year EGWP plans only:**

Plan Submitted MPPP Effective Date	Plan Submitted MPPP Termination Date	MARx Action	TRC	Rejection Reason
6/4/2025	6/2/2026	Reject	409	The period between MPPP effective date and MPPP end date is over 12 months (>12 months)
6/4/2025	5/31/2026	Accept	417	N/A

**Figure 1: Update to TRC 409 Definition:**

Code	Type	Title	Short Definition	Definition
409	R	INV MPPP ST /END DT OR STRT DT PRIOR 2025	INV MPPP ST /END	<p>An MPPP transaction (TC 95) was rejected because:</p> <ul style="list-style-type: none"> <li>• The effective date of the MPPP was before 1/1/2025;</li> <li>• The effective date is after the termination date;</li> <li>• The effective date is more than the current calendar month +3 months (CCM+3) in the future;</li> <li>• The effective date and termination date are in different calendar years;</li> </ul> <p>or</p> <ul style="list-style-type: none"> <li>• For non-calendar year EGWPs, the period between MPPP effective date and MPPP end date is over 12 months (&gt;12 months).</li> </ul> <p><b>Plan Action:</b> Submit a 95 transaction with the corrected dates.</p>

## 2. MPPP – Policy Clarification on Plan Use of MPPP Termination Reason Codes

In addition to the software release, CMS is providing additional clarification on the use of Termination Reason Codes for Medicare Prescription Payment Plan transactions. In October 2024, CMS published instructions for the submission of participant-level data on Medicare Prescription Payment Plan program

election in MARx.<sup>1</sup> As noted in that document, valid MPPP transaction Termination Reason Codes include 01 – Voluntary, 02 – Involuntary, 03 – Deceased, and 04 – End of MPPP Year.

Termination Reason Code 02 – Involuntary should only be used when a Part D enrollee is terminated from the Medicare Prescription Payment Plan due to failure to pay. When a program participant is terminated from the Medicare Prescription Payment Plan during the plan year for other reasons, such as a request to opt out of the program, mid-year plan switching, or Part D disenrollment, plan sponsors should report this as a voluntary termination, using Termination Reason Code 01 – Voluntary.

### **3. MPPP – Instructions for Automatically Renewing Participants for CY2026**

Part D sponsors are required to automatically renew Medicare Prescription Payment Plan participation for enrollees participating in the program in Contract Year (CY) 2025 who remain in the same Plan Benefit Package (PBP) in CY 2026.

Plan sponsors are required to document automatic renewals by adding a new MPPP record with MPPP Effective Date of January 1 of the new MPPP year, MPPP Termination Date of December 31 of the new MPPP year, and the MPPP Termination Reason Code 04 (End of MPPP Year). If the enrollee has an MPPP Record for CY 2025 with MPPP Termination Date of 12/31/2025 and the MPPP Termination Reason Code 04 (End of MPPP Year), no further updates are required to the existing CY 2025 record.

For additional information on the automatic renewal requirement, please see “Contract Year 2026 Policy and Technical Changes to the Medicare Advantage Program, Medicare Prescription Drug Benefit Program, Medicare Cost Plan Program, and Programs of All-Inclusive Care for the Elderly (CMS-4208-F)”.

### **4. Selected Drug Subsidy (SDS) Prospective Part D Payment in MARx**

As stated in the *Final CY 2026 Part D Redesign Program Instructions*, published in HPMS on 04/07/2025 as an attachment to the *CY 2026 Rate Announcement*, section 11201 of the IRA added section 1860D-14D to the Social Security Act, creating a new selected drug subsidy program, which begins in CY 2026. Under the program, the Secretary must, periodically and on a timely basis, provide Part D plan sponsors with a subsidy for selected drugs equal to 10 percent of the drug’s negotiated price (as defined in section 1860D-14C(g)(6) of the Act, and as codified at [42 CFR § 423.100](#)). The selected drug subsidy applies to a covered Part D drug that would otherwise meet the definition of an applicable drug but for being a selected drug during a price applicability period. The subsidy is paid on behalf of an applicable beneficiary who is enrolled in a PDP or an MA-PD plan, has not incurred costs that are equal to or exceed the annual out of pocket (OOP) threshold, and is dispensed a selected drug.

Under the selected drug subsidy program, once an enrollee incurs costs exceeding the annual deductible specified in section 1860D-2(b)(1) of the Act, that is, the deductible under the defined standard (DS) benefit, the selected drug subsidy is available in the initial coverage phase of the benefit.

CMS will provide monthly prospective SDS payments to sponsors. CMS will calculate the SDS prospective payments based on the projections in each plan’s bid and current enrollment. The prospective SDS payment will be included in the monthly beneficiary level payment calculated by MARx.

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<sup>1</sup> Please see the October 7, 2024, HPMS memo, “Announcement of the MARx Software Release.”

The beneficiary level detail SDS payments will be reflected in Field 41 (Selected Drug Subsidy Amount) on each Part D sponsor's Monthly Membership Detail Report (MMR) ([Figure 2](#)). The Monthly Membership Summary data file and report (MMSR) will be updated to include the total contract level SDS payment amount ([Figure 3](#), and [Figure 5](#)). The contract level SDS amount will be displayed in the Plan Payment Report (PPR) Data File ([Figure 6](#)). The beneficiary level SDS amount will be displayed in the MARx UI in the Payment/Adjustment Detail (M215) screen ([Figure 7](#)).

Part D sponsors will get the SDS payment monthly within the Part D prospective payment. The first prospective SDS payment will be included in the January 2026 plan payment scheduled for receipt on January 2, 2026. The January 2026 MMR, MMSR, and PPR scheduled for receipt on December 23, 2025, will include SDS payment amounts.

Note regarding Employer Group Waiver Plans (EGWPs): Because EGWPs do not submit Part D bids, CMS will not have the information necessary to estimate the cost of the SDS for these plans and therefore will not provide prospective SDS payments to EGWPs.

## Figure 2: Monthly Membership Detail Data File

The MMR will be updated to include the beneficiary level SDS amount in Field 41 (Selected Drug Subsidy Amount). There will be no change to the overall MMR record length because Field 41 was previously filler Fields 41 and 42.

New MMR record layout:

Item	Field	Length	Position	Description
1	Contract Number	5	1 - 5	Plan Contract Number
2	Run Date	8	6 - 13	Date the file was produced (YYYYMMDD)
3	Payment Date	6	14 - 19	Payment month for the report (YYYYMM)
4	Beneficiary ID	12	20 - 31	<ul style="list-style-type: none"> <li>• Health Insurance Claim Number (HICN) until the start of Medicare Beneficiary Identifier (MBI) transition then</li> <li>• MBI during and after MBI transition. <ul style="list-style-type: none"> <li>◦ MBI is 11 characters, left-justified with one space at the end</li> </ul> </li> </ul>
5	Surname	7	32 - 38	Beneficiary last name
6	First Initial	1	39	First initial of the beneficiary first name

Item	Field	Length	Position	Description
7	Sex Code	1	40	Beneficiary's Sex Code M = Male F = Female
8	Date of Birth	8	41 - 48	Beneficiary date of birth (YYYYMMDD)
9	Filler	4	49 - 52	Spaces
10	State & County Code	5	53 - 57	Beneficiary State and County Code
11	Out of Area Indicator	1	58	Indicator that the beneficiary is Out of Area for the Plan Y = Out of Plan-level service area Space = Not out of area Always Space on Adjustment rows
12	Part A Entitlement	1	59	Indicator that the beneficiary is entitled to Part A Y = Entitled to Part A Space = Not entitled to Part A
13	Part B Entitlement	1	60	Indicator that the beneficiary is entitled to Part B Y = Entitled to Part B Space = Not entitled to Part B
14	Hospice	1	61	Indicator that the beneficiary is in Hospice status Y = Hospice Space = Not in Hospice status
15	ESRD	1	62	Indicator that the beneficiary has ESRD Y = ESRD Space = Not ESRD
16	Aged/Disabled MSP	1	63	Indicator that Medicare is Secondary Payer Y = aged/disabled factor applicable to beneficiary N = aged/disabled factor not applicable to beneficiary
17	Filler	1	64	Spaces
18	Filler	1	65	Spaces
19	New Medicare Beneficiary Medicaid Status Flag	1	66	Beneficiary Medicaid Status used for the month being paid or adjusted. Y = Medicaid and a default risk factor was used N = Not Medicaid and a default risk factor was used Space = No default risk factor or

Item	Field	Length	Position	Description
				beneficiary is Part D only
20	LTI Flag	1	67	Indicator that beneficiary has Part C Long Term Institutional Status Y = Part C Long Term Institutional Space = Not LTI
21	Medicaid Add-on Factor Indicator	1	68	Indicator that the Medicaid Add-on factor was used for this payment or adjustment for a beneficiary: <ul style="list-style-type: none"> <li>Before 2023 –This field indicates when the Medicaid Add-on factor was used for: <ul style="list-style-type: none"> <li>PACE,</li> <li>ESRD, or</li> <li>LTI risk scores.</li> </ul> </li> <li>After 2023 – this field indicates when the Medicaid Add-on factor was used for: <ul style="list-style-type: none"> <li>PACE ESRD, or</li> <li>Any beneficiary who is in LTI status, enrolled in any plan.</li> </ul> </li> </ul> Y = A RASS supplied Medicaid add-on factor is used in the payment Space = No Medicaid Add-on was used
22	Filler	2	69-70	Spaces
23	Default Risk Factor Code	1	71	Indicator that a Default Risk Adjustment Factor (RAF) was used for calculating this payment or adjustment. A Default Risk Adjustment Factor (score) is used only if the RASS system did not provide MARx risk scores for this beneficiary. In these cases MARx assigns a default score based upon "demographics" of the beneficiary. 1 = Default Enrollee- Aged/Disabled. 2 = Default Enrollee- ESRD dialysis. 3 = Default Enrollee- ESRD Kidney Transplant- Month 1. 4 = Default Enrollee- ESRD Kidney Transplant

Item	Field	Length	Position	Description
				- Months 2-3. 5 = Default Enrollee- ESRD Post Graft - Months 4-9. 6 = Default Enrollee- ESRD Post Graft - 10+ Months. 7 = Default Enrollee Chronic Care SNP. Space = The beneficiary is not a default enrollee.
24	Risk Adjustment Factor A	7	72-78	Part A Risk Adjustment Factor used for the Payment Calculation (NN.DDDD)
25	Risk Adjustment Factor B	7	79-85	Part B Risk Factor used for the Payment Calculation (NN.DDDD)
26	Number of Payment/Adjustment Months Part A	2	86-87	Number of months included in this payment or adjustment for Part A
27	Number of Payment/Adjustment Months Part B	2	88-89	Number of months included in this payment or adjustment for Part B
28	Adjustment Reason Code (ARC)	2	90-91	Code that indicates the reason for this adjustment Spaces = prospective payment
29	Payment/Adjustment Start Date	8	92-99	Earliest date covered by this payment or adjustment (YYYYMMDD)
30	Payment/Adjustment End Date	8	100-107	Latest date covered by this payment or adjustment (YYYYMMDD)
31	Filler	9	108-116	Spaces
32	Filler	9	117-125	Spaces
33	Monthly Risk Adjusted Amount Part A	9	126-134	Monthly Part A portion of the payment or adjustment dollars. (-99999.99)
34	Monthly Risk Adjusted Amount Part B	9	135-143	Monthly Part B portion of the payment or adjustment dollars. (-99999.99)

Item	Field	Length	Position	Description
35	LIS Premium Subsidy	8	144-151	Low Income Premium Subsidy Amount for the beneficiary (-9999.99)
36	ESRD MSP Flag	1	152	Indicator that Medicare is a Secondary Payer due to ESRD. As of January 2011: T = MSP due to Transplant/Dialysis P = MSP due to Post Graft Space = ESRD MSP not applicable
37	Medication Therapy Management (MTM) Add On	10	153-162	The total Medication Therapy Management (MTM) Add- On for the beneficiary (999999.99)
38	Part D Manufacturer Discount Program Amount	8	163-170	The Manufacturer Discount Program amount included in the payment (-9999.99)
39	Medicaid Full/Partial/Non-dual	1	171	The Medicaid status that is in effect for the month used to determine the appropriate: <ul style="list-style-type: none"> <li>Non-ESRD community (enrollees in MAOs or PACE organizations) or</li> <li>ESRD risk factor for a beneficiary (MAOs only; not applicable for beneficiaries enrolled in a PACE organization with ESRD status).</li> </ul> (Medicaid status = Current Payment Month (CPM) minus 3 months) For all other risk factors, this field is informational. 1 = Beneficiary is determined to be full or partial Medicaid (F or P) 0 = Beneficiary is not Medicaid (N) Space = This is a retroactive adjustment for a month prior to January 2017.
40	Risk Adjustment Age Group (RAAG)	4	172-175	The Risk Adjustment Age Group for the beneficiary (BBEE). In general, it is based upon the age as of February 1 of payment year. BB = Beginning Age EE = Ending Age Note: This field should be used for all payments after 2007 (and not Item #9).
41	Selected Drug Subsidy Amount	8	176 - 183	Amount of the Selected Drug Subsidy included in the payment (99999.99)



Item	Field	Length	Position	Description
42	Filler	1	184	Spaces
43	Plan Benefit Package ID	3	185-187	PBP Number
44	Filler	1	188	Spaces
45	Risk Adjustment Factor Type Code	2	189-190	<p>The type of Part C Risk Adjustment Factor used to calculate this payment or adjustment.  C = Community (Adjustments before 2017; PACE only beginning 1/2017 and ending 12/2019)  C1 = Community Post Graft 4-9 (ESRD) (Adjustments before 2023)  C3= Community Post Graft 4-9 (ESRD) Full Dual  C4= Community Post Graft 4-9 (ESRD) Partial Dual  C5= Community Post Graft 4-9 (ESRD) Non-Dual  C2 = Community Post Graft 10+ (ESRD) (Adjustments before 2023)  C6= Community Post Graft 10+ (ESRD) Full Dual  C7= Community Post Graft 10+ (ESRD) Partial Dual  C8= Community Post Graft 10+ (ESRD) Non-Dual  CF = Community Full Dual  CP = Community Partial Dual  CN = Community Non-Dual  D = Dialysis (ESRD) (Adjustments before 2023)  D1 = Dialysis (ESRD) Full Dual  D2 = Dialysis (ESRD) Partial Dual or Non-dual  E = New Enrollee  ED = New Enrollee Dialysis (ESRD)  E1 = New Enrollee Post Graft 4-9 (ESRD) E2 = New Enrollee Post Graft 10+ (ESRD) G1 =</p>

Item	Field	Length	Position	Description
				<p>Graft I (ESRD)  G2 = Graft II (ESRD)  I = Institutional  I3 = Institutional Dialysis (ESRD) Full Dual  I4 = Institutional Dialysis (ESRD) Partial or Non-Dual  I1 = Institutional Post Graft 4-9 (ESRD) (Adjustments before 2023)  I5 = Institutional Post Graft 4-9 (ESRD) Full Dual  I6 = Institutional Post Graft 4-9 (ESRD) Partial Dual  I7 = Institutional Post Graft 4-9 (ESRD) Non-Dual  I2 = Institutional Post Graft 10+ (ESRD) (Adjustments before 2023)  I8 = Institutional Post Graft 10+ (ESRD) Full Dual  I9 = Institutional Post Graft 10+ (ESRD) Partial Dual  IA = Institutional Post Graft 10+ (ESRD) Non-Dual  SE = New Enrollee Chronic Care SNP  PA = PACE Dialysis Factor  PB = PACE New Enrollee Dialysis Factor PC = PACE Community Post Graft 4-9  PD = PACE Institutional Post Graft 4-9  PE = PACE New Enrollee Post Graft 4-9 PF = PACE Community Post Graft 10+  PG = PACE Institutional Post Graft 10+  PH = PACE New Enrollee Post Graft 10+ PI = PACE Community Full Dual  PJ = PACE Community Partial Dual  PK = PACE Community Non-Dual  PL = PACE Graft I  PM = PACE Graft II  Note: The actual RAF values are in fields 24 – 25.</p>
	Frailty Indicator (PACE/FIDE)	1	191	Indicator that a Plan-level Frailty Factor was included in the calculation of the payment or

Item	Field	Length	Position	Description
46	SNP only)			adjustment Y = Frailty Factor Included N = No Frailty Factor
47	Original Reason for Entitlement Code (OREC)	1	192	The original reason that the beneficiary was entitled to Medicare 0 = Beneficiary insured due to age 1 = Beneficiary insured due to disability 2 = Beneficiary insured due to ESRD 3 = Beneficiary insured due to disability and current ESRD 9 = None of the above
48	Filler	1	193	Spaces
49	Segment Number	3	194-196	Segment number for the beneficiary enrollment. 000 = Plan with no segments.
50	Filler	1	197	Spaces
51	EGHP Flag	1	198	Indicator that the Plan is an Employer Group Health Plan Y = Employer Group Health Plan N = Not an Employer Group Health Plan
52	Part C Basic Premium – Part A Amount	8	199-206	The premium amount for determining the MA payment attributable to Part A (-9999.99)
53	Part C Basic Premium – Part B Amount	8	207-214	The premium amount for determining the MA payment attributable to Part B (-9999.99)
54	Rebate for Part A Cost Sharing Reduction	8	215-222	The amount of the rebate allocated to reducing the beneficiary Part A cost-sharing. (-9999.99)
55	Rebate for Part B Cost Sharing Reduction	8	223-230	The amount of the rebate allocated to reducing the beneficiary Part B cost-sharing. (-9999.99)
56	Rebate for Other Part A Mandatory Supplemental Benefits	8	231-238	The amount of the rebate allocated to providing Part A supplemental benefits. (-9999.99)

Item	Field	Length	Position	Description
57	Rebate for Other Part B Mandatory Supplemental Benefits	8	239-246	The amount of the rebate allocated to providing Part B supplemental benefits. (-9999.99)
58	Rebate for Part B Premium Reduction – Part A Amount	8	247-254	<p>The Part A amount of the rebate that is allocated to reducing the beneficiary Part B premium. (-9999.99) This amount is subtracted from payments for one of two reasons.</p> <ol style="list-style-type: none"> <li>1. The beneficiary has ESRD status.</li> <li>2. The beneficiary is enrolled in an Employer Group Plan and is neither Hospice nor ESRD. (Effective 01/01/2020)</li> </ol> <p>For all other beneficiaries, this field is informational.</p>
59	Rebate for Part B Premium Reduction – Part B Amount	8	255-262	<p>The Part B amount of the rebate that is allocated to reducing the beneficiary Part B premium. (-9999.99)</p> <p>This amount is subtracted from payments for one of two reasons.</p> <ol style="list-style-type: none"> <li>1. The beneficiary has ESRD status.</li> <li>2. The beneficiary is enrolled in an Employer Group Plan and is neither Hospice nor ESRD. (Effective 01/01/2020)</li> </ol> <p>For all other beneficiaries, this field is informational.</p>
60	Rebate for Part D Supplemental Benefits – Part A Amount	8	263–270	Part A Amount of the rebate allocated to providing Part D supplemental benefits. (-9999.99)
61	Rebate for Part D Supplemental Benefits – Part B Amount	8	271–278	Part B Amount of the rebate allocated to providing Part D supplemental benefits. (-9999.99)
62	Total MA Payment or Adjustment Part A	10	279–288	The total Part A portion of the MA payment. (-999999.99)
63	Total MA Payment or Adjustment Part B	10	289–298	The total Part B portion of the MA payment. (-999999.99)

Item	Field	Length	Position	Description
64	Total MA Part C Payment or Adjustment	11	299-309	The total MA Part C A/B payment. (-9999999.99)
65	Risk Adjustment Factor D	7	310-316	Part D Risk Adjustment Factor used for the Payment Calculation (NN.DDDD)
66	Part D Low-Income Indicator	1	317	Indicator of beneficiary's Low Income status for the Part D payment or adjustment. Calculations for a Low Income beneficiary include a Part D Low-Income multiplier. Y = beneficiary is Low Income N = beneficiary is not Low Income Spaces = Not applicable
67	Part D Low-Income Multiplier	7	318-324	The Part D low-income multiplier used in the calculation of the payment or adjustment (NN.DDDD)
68	Part D Long Term Institutional Indicator	1	325	Indicator of beneficiary Long Term Institutional (LTI) status for the Part D payment or adjustment. A = LTI (aged) D = LTI (disabled) Space = No LTI
69	Part D Long Term Institutional Multiplier	7	326-332	Part D LTI multiplier used in the calculation of the payment or adjustment (NN.DDDD)
70	Rebate for Part D Basic Premium Reduction	8	333-340	Amount of the rebate allocated to reducing the beneficiary basic Part D premium. (-9999.99)
71	Part D Basic Premium Amount	8	341-348	Plan's Part D premium amount. (-9999.99)
72	Part D Direct Subsidy Amount	10	349-358	Total Part D Direct subsidy amount for the beneficiary. (- 999999.99)
73	Reinsurance Subsidy Amount	10	359-368	The amount of reinsurance subsidy included in the payment (-999999.99)
74	Low-Income Subsidy Cost-Sharing Amount	10	369-378	The low-income subsidy cost-sharing amount included in the payment. (-999999.99)
75	Total Part D Payment or Adjustment	11	379-389	The total Part D payment or adjustment for the beneficiary (-9999999.99)

Item	Field	Length	Position	Description
76	Number of Payment/Adjustment Months Part D	2	390-391	Number of months included in this payment or adjustment.
77	PACE Premium Add On	10	392-401	Total Part D Pace Premium Add-on amount (-999999.99)
78	PACE Cost Sharing Add-on	10	402-411	Total Part D Pace Cost Sharing Add-on amount (-999999.99)
79	Part C Frailty Factor	7	412-418	Part C Frailty Factor used in this payment or adjustment calculation. NN.DDDD Spaces = Not applicable Used for PACE, FIDE SNPs, and some MMPs
80	MSP Reduction Factor	7	419-425	MSP secondary payer reduction factor used in this payment or adjustment calculation (NN.DDDD) Spaces = Not applicable
81	MSP Reduction Amount Part A	10	426-435	MSP reduction amount Part A. (9999999.99) Reported as a POSITIVE AMT, is actually a NEGATIVE AMT.
82	MSP Reduction Amount Part B	10	436-445	MSP reduction amount Part B. (9999999.99) Reported as a POSITIVE AMT, is actually a NEGATIVE AMT.
	Medicaid Dual Status Code	2	446-447	This field reports the Medicaid dual status code that is in effect for the month used to determine the appropriate: <ul style="list-style-type: none"> <li>Non-ESRD community (enrollees in MAOs or PACE organizations) or</li> <li>ESRD risk score (MAOs only; not applicable for beneficiaries enrolled in a PACE organization with ESRD status).</li> </ul> Otherwise, the field is informational.  Entitlement status for the dual eligible beneficiary for the month used when determining Medicaid Status. When Field 39 = 1 or Field 19 = Y: 01 = Eligible - entitled to Medicare- QMB only (Partial Dual) 02 = Eligible - entitled to Medicare- QMB AND Medicaid coverage (Full Dual) 03 = Eligible - entitled to Medicare- SLMB

Item	Field	Length	Position	Description
83				<p>only (Partial Dual)</p> <p>04 = Eligible - entitled to Medicare- SLMB AND Medicaid coverage (Full Dual)</p> <p>05 = Eligible - entitled to Medicare- QDWI (Partial Dual)</p> <p>06 = Eligible - entitled to Medicare- Qualifying individuals (Partial Dual)</p> <p>08 = Eligible - entitled to Medicare- Other Dual Eligibles (Non QMB, SLMB, QDWI or QI) with Medicaid coverage (Full Dual)</p> <p>09 = Eligible - entitled to Medicare – Other Dual Eligibles but without Medicaid coverage (Non-Dual)</p> <p>10 = Other Full Dual 99 = Unknown</p> <p>When Field 39 = 0:</p> <ul style="list-style-type: none"> <li>• 00 = No Medicaid Status</li> </ul> <p>When Field 39 is spaces:</p> <ul style="list-style-type: none"> <li>• Spaces</li> </ul>
84	Part D Coverage Gap Discount Amount	8	448-455	Amount of the Coverage Gap Discount Amount included in the payment (-9999.99)
	Part D Risk Adjustment Factor Type	2	456-457	<p>The type of Part D Risk Adjustment Factor used to calculate this payment or adjustment. Factor types used for January 2011 through December 2024 payments</p> <p>D1 = Community Non-Low Income Continuing Enrollee,</p> <p>D2 = Community Low Income Continuing Enrollee,</p> <p>D3 = Institutional Continuing Enrollee,</p> <p>D4 = New Enrollee Community Non-Low Income Non- ESRD,</p> <p>D5 = New Enrollee Community Non-Low Income ESRD,</p> <p>D6 = New Enrollee Community Low Income Non- ESRD,</p> <p>D7 = New Enrollee Community Low Income ESRD,</p> <p>D8 = New Enrollee Institutional Non-ESRD,</p> <p>D9 = New Enrollee Institutional ESRD,</p>

Item	Field	Length	Position	Description
85				<p>Existing factor types that will continue to be used for 2025 payments</p> <p>P1 = PACE New Enrollee Community Low Income Non- ESRD</p> <p>P2 = PACE New Enrollee Community Non-Low Income Non-ESRD</p> <p>P3 = PACE New Enrollee Institutional Non-ESRD</p> <p>P4 = PACE New Enrollee Institutional ESRD</p> <p>P5 = PACE New Enrollee Community Low Income ESRD</p> <p>P6 = PACE New Enrollee Community Non-Low Income ESRD</p> <p>P7 = PACE Community Non- Low Income CONTINUING Enrollee</p> <p>P8 = PACE Community Low Income Continuing Enrollee</p> <p>P9 = PACE Institutional Continuing Enrollee</p> <p>New factor types used for payment beginning January 2025</p> <p>R1 = Community Non-Low Income Continuing Enrollee MAPD</p> <p>R2 = Community Non-Low Income Continuing Enrollee PDP</p> <p>R3 = Community Low Income Continuing Enrollee MAPD,</p> <p>R4 = Community Low Income Continuing Enrollee PDP,</p> <p>I1 = Institutional Continuing Enrollee MAPD,</p> <p>I2= Institutional Continuing Enrollee PDP,</p> <p>N1 = New Enrollee Community Non-Low Income Non- ESRD MAPD,</p> <p>N2 = New Enrollee Community Non-Low Income Non- ESRD PDP,</p> <p>N3 = New Enrollee Community Non-Low Income ESRD MAPD,</p> <p>N4 = New Enrollee Community Non-Low Income ESRD PDP,</p> <p>N5= New Enrollee Community Low Income Non- ESRD MAPD,</p> <p>N6= New Enrollee Community Low Income</p>



Item	Field	Length	Position	Description
				Non- ESRD PDP, N7 = New Enrollee Community Low Income ESRD MAPD, N8 = New Enrollee Community Low Income ESRD PDP, I3 = New Enrollee Institutional Non-ESRD MAPD, I4 = New Enrollee Institutional Non-ESRD PDP, I5 = New Enrollee Institutional ESRD MAPD, I6 = New Enrollee Institutional ESRD PDP, Spaces = Not applicable. Note: The value of the Part D RAF is found in field 67.
86	Part D Default Risk Factor Code	1	458	The code that indicates the type of Part D Default Risk Factor for beneficiaries with less than 12 months of Medicare Part A entitlement. Factor types used for January 2011 through December 2024 payments 1 = Not ESRD, Not Low Income, Not Originally Disabled 2 = Not ESRD, Not Low Income, Originally Disabled 3 = Not ESRD, Low Income, Not Originally Disabled 4 = Not ESRD, Low Income, Originally Disabled 5 = ESRD, Not Low Income, Not Originally Disabled 6 = ESRD, Low Income, Not Originally Disabled 7 = ESRD, Not Low Income, Originally Disabled 8 = ESRD, Low Income, Originally Disabled Factor types used for payment beginning January 2025 A = Not ESRD, Not Low Income, Not Originally Disabled MAPD B = Not ESRD, Not Low Income, Not Originally Disabled PDP C = Not ESRD, Not Low Income, Originally

Item	Field	Length	Position	Description
				Disabled MAPD D = Not ESRD, Not Low Income, Originally Disabled PDP E = Not ESRD, Low Income, Not Originally Disabled MAPD F = Not ESRD, Low Income, Not Originally Disabled PDP G = Not ESRD, Low Income, Originally Disabled MAPD H = Not ESRD, Low Income, Originally Disabled, PDP I = ESRD, Not Low Income, Not Originally Disabled, MAPD J = ESRD, Not Low Income, Not Originally Disabled, PDP K = ESRD, Not Low Income, Originally Disabled, MAPD L = ESRD, Not Low Income, Originally Disabled, PDP M = ESRD, Low Income, Not Originally Disabled, MAPD N = ESRD, Low Income, Not Originally, Disabled, PDP O = ESRD, Low Income, Originally Disabled, MAPD P = ESRD, Low Income, Originally Disabled, PDP Spaces = Not applicable
87	Part A Monthly Rate for Payment or Adjustment	9	459-467	The Part A State and County Rate used in the payment or adjustment calculation. (-99999.99) Payments = Rate in effect for payment period Adjustments = Rate in effect for adjustment period i.e. the updated rate in effect for the adjustment period.
88	Part B Monthly Rate for Payment or Adjustment	9	468-476	The Part B State and County Rate used in the payment or adjustment calculation. (-99999.99) Payments = Rate in effect for payment period Adjustments = Rate in effect for adjustment period, i.e. the updated rate in effect for the adjustment period.

Item	Field	Length	Position	Description
89	Part D Monthly Rate for Payment or Adjustment	9	477-485	The Part D rate used in the payment or adjustment calculation. (-99999.99) Payments = Rate amount in effect for payment period Adjustments = Rate amount in effect for adjustment period
90	Cleanup ID	10	486-495	The Cleanup ID field is used in the event of a cleanup or a RAS overpayment run. It is used to uniquely identify the cleanup with which the record is associated. It is usually the Ticket number for the cleanup or overpayment run. RAS overpayment runs are associated with an ARC 60 or ARC 61 in Field 28. ARC 94 in Field 28 is used to identify cleanups when no other ARC codes apply. The field will be blank when the record reports: <ul style="list-style-type: none"> <li>• A prospective payment</li> <li>• A non-cleanup adjustment</li> <li>• Any payment or adjustment prior to August 2011</li> </ul>

### Figure 3: Monthly Membership Summary Data File

There will be no change to the layout of the Monthly Membership Summary Data File. However, it will be updated to include total SDS in Field 5 (Record Description).

Item	Field	Size	Position	Description
5	Record Description	10	22 - 31	This field is populated with a short description of the type of data reported in the record.

**Figure 4: Monthly Membership Summary Data File Record Description Values (Field 5)**

A new Record Description “SDS” has been added for Field 5 of the Monthly Membership Summary Data File.

<b>Record Name</b>	<b>Description</b>
TOTAL PAYM	Total Payment Amount – Reported for Pt C & Pt D
ESRD	End Stage Renal Disease – Reported for Pt C only
HOSPICE	Hospice – Reported for Pt C only (includes VBID Hospice Demonstration)
MCAID	Medicaid – Reported for Pt C only
OTHER	Reported for Pt C only
WA	Working Aged – Reported for Pt C only
OUTOFAREA	Out of Area – Reported for Pt C only
DIR SUBSDY	Direct Subsidy – Reported for Pt D only
LIS CSTSHR	Low Income Subsidy Cost Sharing – Reported for Pt D only
EST REINS	Reinsurance – Reported for Pt D only
PACE PREM	Pace Premium – Reported for Pt D only
PACE CSHR	Pace Cost Sharing – Reported for Pt D only
PTC PREM	Part C Premium – Reported for Pt C only
RBT AB CSR	Part A/B Cost Sharing Reduction Rebate – Reported for Pt C only
RBT AB MSB	Part A/B Mandatory Supplemental Benefits Rebate – Reported for Pt C only
RBT D PRRE	Part D Basic Premium Reduction Rebate – Reported for Pt C only
RBT D SUBE	Part D Supplemental Benefits Rebate – Reported for Pt C only
PTB PRM RE	Part B Premium Reduction – Reported for Pt C only
B PRM RE A	Part B Premium Reduction for Part A – Reported for Pt C only
B PRM RE D	Part B Premium Reduction for Part D – Reported for Pt C only
BSF MNTHLY	Benefit Stabilization Fund Monthly Contribution – Reported for Pt C only
AD MSP	Aged Disabled Medicare Secondary Payer Reduction – Reported for Pt C only
ESRD MSP	End Stage Renal Disease Medicare Secondary Payer – Reported for Pt C only
CGD	Coverage Gap Discount – Reported for Pt D only
MTM ADD-ON	Medication Therapy Management – Reported for Pt D only
LIPS	Low Income Premium Subsidy – Reported for Pt D only
MDP	Manufacturer Discount Program – Reported for Pt D only
<b>SDS</b>	<b>Selected Drug Subsidy – Reported for Pt D only</b>

## Figure 5: Monthly Membership Summary Report

The total SDS payment amount, abbreviated as “SELECT DRG SUB,” will be added to the Monthly Membership Summary Report.

RUN DATE:yyyymmdd		MONTHLY MEMBERSHIP SUMMARY REPORT (PAGE 1 OF 2)			
PAYMENT MONTH:yyyymm		PLAN: H9999 PBP(mmm) SEG(nnn) Name-of-Provider-Here			
CURRENT PAYMENTS					
PART A -----	COUNTS -----	TOTAL MONEY	PART B -----	COUNTS -----	TOTAL MONEY
HOSPICE	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99	HOSPICE	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
ESRD	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99	ESRD	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
WA	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99	WA	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
INST	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99	INST	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
NHC	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99	NHC	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
MCAID	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99	MCAID	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
PART C PREMIUM	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99	PART C PREMIUM	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
A/B COST SHR	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99	A/B COST SHR	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
A/B MAN SUP BN	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99	A/B MAN SUP BN	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
D BAS PRM REDU	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99	D BAS PRM REDU	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
D SUPP BENFITS	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99	D SUPP BENFITS	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
B BAS PRM REDU	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99	B BAS PRM REDU	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
A/D MSP REDU	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99	A/D MSP REDU	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
ESRD MSP REDU	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99	ESRD MSP REDU	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
MEMBERS	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99	MEMBERS	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
MONTHS	z,zzz,zz9		MONTHS	z,zzz,zz9	
AVERAGE		\$\$,\$\$\$,\$\$\$,\$\$9.99	AVERAGE		\$\$,\$\$\$,\$\$\$,\$\$9.99
OUT OF AREA	z,zzz,zz9				
B PRM REDU - A		\$\$,\$\$\$,\$\$\$,\$\$9.99	B PRM REDU - A		\$\$,\$\$\$,\$\$\$,\$\$9.99
B PRM REDU - D		\$\$,\$\$\$,\$\$\$,\$\$9.99	B PRM REDU - D		\$\$,\$\$\$,\$\$\$,\$\$9.99
			DIR SUBSDY	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
			LIS COST SHR	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
			ESTIMATD REINS	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
			PACE PRM ADDON	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
			PACE PRM ADDON	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
			COV GAP DISC	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
			MM ADDON	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
			LIPS	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
			MANU DISC PRO	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
			SELECT DRG SUB	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
			MEMBERS	z,zzz,zz9	\$\$,\$\$\$,\$\$\$,\$\$9.99
			MONTHS	z,zzz,zz9	
			AVERAGE		\$\$,\$\$\$,\$\$\$,\$\$9.99

### Figure 6: PPR/IPPR Capitated Payment – Current Activity Record

The Selected Drug Subsidy field will be added to the Plan Payment Report (PPR)/Interim Plan Payment Report (IPPR) Data File. There will be no change to the overall PPR/IPPR record length.

PPR/IPPR Capitated Payment – Current Activity Record					
Item	Field	Size	Position	Format	Description
1	Contract Number	5	1-5	CHAR	Contract Number.
2	Record Identification Code	1	6	CHAR	Record Type Identifier. C = Capitated Payment
3	Table ID Number	1	7	CHAR	1.
4	Adjustment Reason Code	2	8-9	CHAR	Blank = for prospective pay.
5	Part A Total Members	9	10-18	NUM	Number of beneficiaries for whom Part A payments is being made prospectively. For adjustment records this will hold the total number of transactions. ZZZZZZZ9
6	Part B Total Members	9	19-27	NUM	Number of beneficiaries for whom Part B payments is being made prospectively. Spaces for adjustment records. ZZZZZZZ9
7	Part D Total Members	9	28-36	NUM	Number of beneficiaries for whom Part D payments is being made prospectively. Spaces for Adjustment records. ZZZZZZZ9
8	Part A Payment Amount	15	37-51	NUM	Total Part A Amount. SSSSSSSSS9.99
9	Part B Payment Amount	15	52-66	NUM	Total Part B Amount. SSSSSSSSS9.99
10	Part D Payment Amount	15	67-81	NUM	Total Part D Amount. SSSSSSSSS9.99
11	Coverage Gap Discount Amount	15	82 – 96	NUM	The Coverage Gap Discount Amount included in Part D Payment. SSSSSSSSS9.99
12	Manufacturer Discount Program amount	15	97-111	NUM	The Manufacturer Discount Program amount included in Part D Payment. Format: SSSSSSSSS9.99
13	Selected Drug Subsidy	15	112-126	NUM	The Selected Drug Subsidy amount included in Part D Payment. Format: SSSSSSSSS9.99
14	Total Payment	15	127-141	NUM	Total Payment. SSSSSSSSS9.99
15	Filler	124	142 – 250	CHAR	Spaces.

**Figure 7: MARx User Interface: Payment/Adjustment Detail (M215) Screen**

The Part D Selected Drug Subsidy will be added to “Payment/Adjustment Detail (M215)” Screen under Part D Payments section, which is labeled as “PART D SELECTED DRUG SUBSIDY.”

MBI #:xxxxxxxxxx

BENEFICIARY ADDRESS

CITY NAME, ST ZIP CODE

BENEFICIARY NAME

ACTIVE

DOB: XX/XX/XXXX

Age: XX Sex: XXXX

State: XX (XX) County: XXXXXXXX (XXXX)

Payment/Adjustment Detail (M215)

Role: MCO REPRESENTATIVE Date: mm/dd/yyyy

Close

Print

Help...

Select a chevron (>>) to expand the row for additional details on payments and adjustments

Export to Excel

Payments/Adjustment Table - Contract# XXXXX

Payment Date	Description	Type	Adjustment Code	Payment/Adjustments			Paid for Month	Paid Flag	Cleanup ID
				Part A	Part B	Part D			
01/01/2026	TOTAL	PAYMENT		\$312.96	\$480.55	\$6,651.23	\$7,444.74		
<b>Part C Payments</b>									
	Description	Type	Adjustment Code	Part A	Part B	Total	Paid for Month	Paid Flag	Cleanup ID
	VBID HOSPICE DEMO	PAYMENT	-	\$0.00	\$0.00	\$0.00	01/01/2026	-	
	COST PMPM RATE	PAYMENT	-	\$0.00	\$0.00	\$0.00	01/01/2026	-	
	PART C RISK ADJUSTED RATE (CALC CD 3)	PAYMENT COMPONENT	-	\$313.74	\$481.75	\$795.49	01/01/2026	-	
	» RISK ADJUSTED PAYMENT AMOUNT	PAYMENT COMPONENT	-	\$251.31	\$385.88	\$637.19	01/01/2026	Y	
	PART C PREMIUM	PAYMENT	-	\$0.00	\$0.00	\$0.00	01/01/2026	Y	
	PART A/B COST SHARING REDUCTION	PAYMENT	-	\$16.49	\$25.32	\$41.81	01/01/2026	Y	
	PART A/B MANDATORY SUPP BENEFITS	PAYMENT	-	\$43.74	\$67.17	\$110.91	01/01/2026	Y	
	PART D SUPP BENEFITS	PAYMENT	-	\$1.42	\$2.18	\$3.60	01/01/2026	Y	
	PART B PREMIUM REDUCTION	PAYMENT	-	\$0.00	\$0.00	\$0.00	01/01/2026	-	
	PART D BASIC PREMIUM REDUCTION	PAYMENT	-	\$0.00	\$0.00	\$0.00	01/01/2026	-	
	MSA MONTHLY DEPOSIT	PAYMENT COMPONENT	-	\$0.00	\$0.00	\$0.00	01/01/2026	-	
	AGED/DISABLED MSP REDUCTION	PAYMENT	-	\$0.00	\$0.00	\$0.00	01/01/2026	-	
	ESRD MSP REDUCTION	PAYMENT	-	\$0.00	\$0.00	\$0.00	01/01/2026	-	
	TOTAL PT C PAYMENT	PAYMENT	-	\$312.96	\$480.55	\$793.51	01/01/2026	Y	
<b>Part D Payments</b>									
	Description	Type	Adjustment Code	Part D Total	Paid for Month	Paid Flag	Cleanup ID		
	POS DIRECT SUBSIDY (LINET PMPM RATE)	PAYMENT	-	\$0.00	01/01/2026	-			
	PART D RISK ADJUSTED RATE (DIRECT SUBSIDY)	PAYMENT COMPONENT	-	\$433.49	01/01/2026	-			
	PART D BASIC PREMIUM	PAYMENT COMPONENT	-	-\$290.82	01/01/2026	-			
	» PART D DIRECT SUBSIDY	PAYMENT	-	\$3,972.12	01/01/2026	Y			
	PART D LIP	PAYMENT	-	\$0.00	01/01/2026	Y			
	PART D COST SHARING	PAYMENT	-	\$160.22	01/01/2026	Y			
	PART D BASIC PREMIUM REDUCTION REBATE	PAYMENT	-	\$290.80	01/01/2026	Y			
	PART D REINSURANCE	PAYMENT	-	\$1,149.46	01/01/2026	Y			
	PART D COVERAGE GAP DISCOUNT	PAYMENT	-	\$0.00	01/01/2026	-			
	PART D MANUFACTURER DISCOUNT	PAYMENT	-	\$1,078.63	01/01/2026	Y			
	PART D SELECTED DRUG SUBSIDY	PAYMENT	-	\$0.00	01/01/2026	Y			
	PACE PREMIUM ADD-ON	PAYMENT	-	\$0.00	01/01/2026	-			
	PACE COST SHARING ADD-ON	PAYMENT	-	\$0.00	01/01/2026	-			
	PTD MTM PMPM ADD-ON	PAYMENT	-	\$0.00	01/01/2026	-			
	TOTAL PT D PAYMENT	PAYMENT	-	\$6,651.23	01/01/2026	Y			

The new payment component for Selected Drug Subsidy