

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Medicare
7500 Security Boulevard, Mail Stop C1-13-07
Baltimore, Maryland 21244-1850



MEDICARE PLAN PAYMENT GROUP

DATE: May 31, 2018

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

FROM: Jennifer Harlow /s/
Deputy Director, Medicare Plan Payment Group

SUBJECT: Medicare Advantage/Prescription Drug System (MARx) June 2018 Payment – INFORMATION

This letter provides information about the June payment, which is scheduled for receipt on June 1, 2018, and other payment related items that may require plan action.

Coverage Gap Discount (CGD) Invoice Offsets

CGD invoice offsets resume in the June 2018 payment. There are offsets for 2017 and 2018. They appear in separate lines on the Plan Payment Report (PPR) with an adjustment type code “CGD”.

Postponement of Second 2016 Final Risk Adjustment Reconciliation

CMS will be rescheduling the Final 2016 Risk Adjustment interim payment from July to August due to concurrent processing of multiple high priority applications at CMS.

2017 Final Risk Adjustment Reconciliation

The 2017 interim final risk adjustment reconciliation payment adjustments are included in the June 2018 payment. The payment adjustments will appear on the June 2018 Monthly Membership Report (MMR) with Adjustment Reason Code (ARC) 25 (Part C Risk Adj Factor Change/Recon), and ARC 37 (Part D Risk Adjustment Factor Change).

2013 Overpayment Risk Adjustment Reconciliation

The 2013 overpayment risk adjustment reconciliation payment adjustments are included in the June 2018 payment. The payment adjustments will appear on the June 2018 MMR with ARC 60 (Part C Payment Adjustments created as a result of the RAS overpayment file processing), and ARC 61 (Part D Payment Adjustments created as a result of the RAS overpayment file processing).

FIDE SNP Frailty Factor Update

A MARx data clean-up was conducted to correct payments where an incorrect frailty factor was used to calculate 2018 payments for some FIDE SNPs. The payment adjustments will appear on the June 2018 MMR with ARC 18 (Part C Rate Change).

Plan Communication User Guide (PCUG) Updates Coming Soon

The PCUG is being updated to a new and improved format. Plans will be notified when the new version is available.

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.

cc: DPO Representatives
Director, DPO
MAPD Customer Support