

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



MEDICARE PLAN PAYMENT GROUP

DATE: December 30, 2022

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) January 2023 Payment – INFORMATION

This letter provides information about the January 2023 Medicare Advantage/Prescription Drug payment, which is scheduled for receipt on January 3, 2023.

CY 2021 Part D Payment Reconciliation

The final Part D reconciliation payment adjustment for 2021 is included in the January 2023 payment. The payment adjustments will be displayed on the Plan Payment Report (PPR) as Special CMS Adjustments with the TYPE “PRS.”

National Medicare Education Campaign (NMEC) User Fees for 2023

Per section 1857(e)(2) of the Social Security Act (“the Act”), plans will be charged cost-sharing for enrollment related costs (the NMEC fee). CMS will begin collecting the monthly FY 2023 user fees in the January payment. The National Medicare Education Campaign (NMEC) user fee for MA-PD plans will be 0.027% for a total amount collected \$100.1 million. The NMEC user fee for PDPs will be 0.029% for a total amount collected \$10.6 million.

Coordination of Benefits (COB) User Fees for 2023

Per section 1860D-24(a)(3) of the Act and 42 C.F.R. § 423.464(c), CMS is authorized to impose user fees on Part D sponsors for the transmittal of information necessary for benefit coordination between sponsors and other entities providing prescription drug coverage. We review and update this user fee annually to reflect the costs associated with COB activities for the specific year. The 2023 COB user fee will be collected at a monthly rate of \$0.1166 for the first 9 months of the coverage year for a total user fee of \$1.05 per enrollee per year.

Sequestration Suspension

While the suspension of sequestration has ended, as required by the statute, we continue to apply the suspension of sequestration for retroactive payment adjustments made for the months of May 2020 through March 2022 and will sequester 1 percent of retroactive payment adjustments made for the months of April 2022 through June 2022 and 2 percent of payments and adjustments for

months beginning with July 2022.

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. Thank you.