

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



CENTER FOR DRUG AND HEALTH PLAN CHOICE

DATE: February 24, 2009

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

FROM: Thomas Hutchinson
Director, Medicare Plan Payment Group

SUBJECT: Advanced Announcement of July 2009 Software Release

The Centers for Medicare and Medicaid Services (CMS) is continuing to implement software improvements to the enrollment and payment systems that support the Medicare Advantage and Prescription Drug programs (MAPD). This letter provides advanced information regarding the planned release of systems changes scheduled for July 2009. This release will focus on improving the efficiency of our systems with improvements that will also affect Plan processing. The changes for this release are listed below.

CMS plans to provide the detailed information that Plans will require for implementation, in early April 2009.

Enhancement to the Loss of Subsidy (Deemed Status) Data File

The Loss of Subsidy (Deemed Status) Data files, sent to Part D sponsors annually in September and December, will be modified to indicate the source of a Beneficiary's subsidy. Part D sponsors will now be able to determine if a member's LIS subsidy is the result of automatic eligibility (i.e. "deeming") or application to Social Security (i.e. LIS applicant award).

Updates to Low Income Subsidy Status

This change was originally scheduled for the April release and was described in detail in the "Announcement of Spring 2009 Software Release" memo dated January 15, 2009. The implementation of this change has been moved to the July release in order to allow the plans additional time to prepare for processing of the new transaction reply codes. The next plan communication regarding the July release is scheduled for April and will include the details of this change. Please note those details will remain unchanged from those described in the April release letter issued on January 9, 2009.

We appreciate your continued support of the MAPD programs.