

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Medicare
7500 Security Boulevard, Mail Stop C1-13-07
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MEDICARE PLAN PAYMENT GROUP

DATE: December 23, 2014

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

FROM: Cheri Rice
Director

SUBJECT: Medicare Advantage Prescription Drug System (MARx) January 2015 Payment – INFORMATION

This letter provides information about the January payment, which is scheduled for receipt on January 2, 2015, and other payment related items that may require plan action.

2015 User Fees

The FY 2015 user fee collections resume in the January – September 2015 payments. The National Medicare Education Campaign (NMEC) user fee for MA-PD plans will be 0.044%; the total amount to be collected is \$59 million. The NMEC user fee for PDPs will be 0.041%; the total amount to be collected is \$17.5 million. The Coordination of Benefits (COB) user fee will be \$0.136 per Part D member per month. Due to a display issue on the Plan Payment Report (PPR), the COB user fee rate will appear rounded as 0.14, but the calculation is using the correct rate of \$0.136.

Coverage Gap Discount (CGD) Invoice Offsets

The 2014 CGD invoice offsets continue in the January payment. The adjustments appear on the PPR as a CMS special adjustment with a type of “CGD”.

Monthly Membership Reporting Issue for Some Adjustments

Due to some issues encountered in processing the January payment, a problem in the computation of some adjustments for about 9,700 beneficiaries has occurred. These beneficiaries had multiple status changes for the same month. On the Monthly Membership Reports (MMRs), the sum of the Part A, B, and D payment components will not equal the Part A, B, and D Totals. The amounts in the individual payment component fields match what is paid to the plan, but the Total amounts do not.

In addition, some of these adjustments are incorrect and will be re-processed. Plans will be notified when this occurs.

Missing Late Enrollment Penalty (LEP) Amounts for Directly Billed Beneficiaries

Due to a MARx system issue, adjustments to LEP amounts for directly billed beneficiaries are missing from the January payment. The LEP report and the PPR will contain only LEP amounts for January. The system issue will be corrected and the missing adjustments will be included in the February 2015 payment.

cc: DPO Representatives
Director, DPO
MAPD Customer Support

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