

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**

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**DATE:** September 29, 2015

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

**FROM:** Cheri Rice /s/  
Director, Medicare Plan Payment Group

**SUBJECT: Medicare Advantage/Prescription Drug System (MARx) October 2015 Payment – INFORMATION**

This letter provides information about the October payment, which is scheduled for receipt on October 1, 2015, and other payment related items that may require plan action.

**Coverage Gap Discount (CGD) Invoice Offsets**

The CGD invoice offsets resume in the October payment. There are offsets for 2014 and 2015. They appear in separate lines on the Plan Payment Report (PPR) with an adjustment type code of CGD.

**End Stage Renal Disease (ESRD) Post Graft Calculation Clean-up**

Payments for beneficiaries that contain an ESRD post graft status were computed using the Plan service area default rate instead of the appropriate county ESRD rates. A clean-up was run for the October payment to recalculate ESRD post graft payments based on the CMS county rates. The payment adjustments are located on the October 2015 Monthly Membership Report (MMR) using Adjustment Reason Code (ARC) 94 – Payment Adjustment Due to Cleanup and a Clean-up Id of MAPD2827.

**Overlapping Payments and Premiums from Plan Benefit Package (PBP) Changes**

The implementation of the September 2015 MARx software release impacted payment processing related to Plan submitted Plan Benefit Package (PBP) enrollments. If a Plan submits a PBP enrollment within the same contract, MARx will disenroll the beneficiary from the prior PBP enrollment period and begin payment calculation for the new PBP enrollment period. After the software release, MARx would not update the related payment and premium data for the prior PBP enrollment period potentially causing a duplicate payment.

Prior to the monthly payment processing, a clean-up was processed to correct the payment and premium periods associated with the prior PBP enrollment periods so plans would not encounter a duplicate payment. This clean-up will not change the premium payment options that the beneficiaries requested.

The payment adjustments are located on the October 2015 Monthly Membership Report (MMR) using Adjustment Reason Code (ARC) 03 – Retroactive Disenrollment and a Clean-up Id of PYMT-TC51.

Questions or concerns about any of the information within this letter should be directed to the MAPD Help Desk at [MAPDHelp@cms.hhs.gov](mailto:MAPDHelp@cms.hhs.gov), or 1-800-927-8069.

cc: DPO Representatives  
Deputy Director, DPO  
MAPD Customer Support