DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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**DATE:**     **October 21, 2019**

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

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**SUBJECT:**  **Announcement of the November 2019 Software Release**

This letter provides detailed information regarding the planned release of systems changes
scheduled for November 2019. The updates described in this communication will be included in
the November 2019 Plan Communications User Guide v13.3, scheduled for publication on
November 29, 2019.

The November 2019 software release will include the following:

1. **Enrollment Election Type Changes for 2020**
2. **Allow Updates to Legacy Point of Sale (POS) Edit Records (Implemented Prior to 2019)**
3. **Automatic Number of Uncovered Months (NUNCMO) Resets for Low Income Beneficiaries in U.S. Territory Part D Plans**
4. **New Medicare Card Project Transition Period – MARx Reminder**

Plans are encouraged to contact the MAPD Help Desk for any issues encountered during the
systems update process. Please direct any questions or concerns to the MAPD Help Desk at 1-800-
927-8069 or e-mail at mapdhelp@cms.hhs.gov.

## 1. **Enrollment Election Type Changes for 2020**

Per the Advance Announcement of the November 2019 Software Release dated October 2, 2019, CMS is enhancing the enrollment processes for the Medicare Advantage Open Enrollment Period (MA-OEP) ("M") and the Dual/low income subsidy (LIS) quarterly special enrollment period (SEP) "L" election type codes.

*MA-OEP "M" Election Code Changes for 2020*

Section 17005 of the 21st Century Cures Act (the Cures Act) established the Medicare Advantage Open Enrollment Period (MA-OEP) starting in January 2019. The MA-OEP may only be used once during the first three (3) months of the year (January – March) for individuals enrolled in an MA plan to switch MA plans or to disenroll from an MA plan and obtain coverage through Original Medicare. This one-time election is also available for newly MA-eligible individuals during the first three (3) months of their entitlement to Part A and Part B.

Individuals using the MA OEP may add or drop Part D coverage. It does not allow individuals enrolled in Medicare Savings Accounts or other Medicare health plan types (such as cost plans or Programs of All-Inclusive Care for the Elderly (PACE)) or in Original Medicare (with or without stand-alone Part D coverage) to make enrollment changes.

The table below summarizes the use of the MA-OEP ('M') election type code:

**Table 1: Enrollment Changes in MARx using the MA-OEP**

| Beneficiary is enrolled: | Beneficiary may use MA-OEP to enroll in: | Beneficiary may use MA-OEP to disenroll from: |
|---|---|---|
| An MAPD plan | <ul><li>A different MAPD plan</li><li>An MA-only plan</li><li>An MA-only Private Fee-For-Service (PFFS) plan and a stand-alone PDP</li><li>A stand-alone PDP</li></ul> | <ul><li>The MAPD plan</li></ul> |
| An MA-only plan | <ul><li>A different MA-only plan</li><li>An MAPD plan</li><li>A different MA-only plan Private Fee-For-Service (PFFS) plan and a stand-alone PDP</li><li>A stand-alone PDP</li></ul> | <ul><li>The MA-only plan</li></ul> |
| A stand-alone Part D Plan (while enrolled in Original Medicare) | <ul><li>No changes allowed</li></ul> | <ul><li>No changes allowed</li></ul> |
| Original Medicare | <ul><li>No changes allowed</li></ul> | <ul><li>No changes allowed</li></ul> |
| A Cost plan | <ul><li>No changes allowed</li></ul> | <ul><li>No changes allowed</li></ul> |
| An MSA plan | <ul><li>No changes allowed</li></ul> | <ul><li>No changes allowed</li></ul> |

| Beneficiary is enrolled: | Beneficiary may use MA-OEP to enroll in: | Beneficiary may use MA-OEP to disenroll from: |
| --- | --- | --- |
| A PACE plan | • No changes allowed | • No changes allowed |

The enhancement includes the following changes for the MA-OEP ("M"):

- A disenrollment prior to an enrollment using the MA-OEP ('M') election type code will not count as a usage of the 'M' election type as long as both the enrollment and disenrollment have the same effective date.
- A disenrollment using the "M" election type code and a subsequent enrollment using the "M" election type code will be accepted as long as the effective dates of both the disenrollment and enrollment are the same. The Medicare Advantage Prescription Drug System (MARx) will allow all three (3) uses of the MA- OEP "M" election type code (disenrollment, enrollment (MA) and enrollment Prescription Drug Plan (PDP)), but will only count this as one usage of the "M" election type code.
- Enrollments with the 'M' election type code and an effective date of 2/1, 3/1 or 4/1 will be accepted even if the beneficiary has disenrolled.
- MA-OEP enrollments with an effective date after 4/1 will be allowed only for newly eligible MA beneficiaries using their Initial Coverage Election Period (ICEP) or newly eligible beneficiaries enrolling in an MAPD plan using their Initial Election Period (IEP) to switch their MA plan or disenroll and obtain coverage from Original Medicare, with or without Part D coverage, within the first three (3) months of their entitlement start date.
- The beneficiary (not newly eligible) must be enrolled in an MA or MAPD plan at the time of the application date and within the first three (3) months of the year (January – March) to use the MA-OEP election.
- The enrollment application date for the last use of the MA-OEP will display on the MARx Eligibility (M232) screen.

*Dual/LIS Quarterly SEP Changes for 2020*

CMS established limitations to the use of the dual/LIS quarterly SEP starting in January 2019. This SEP may only be used once per calendar quarter during the first nine (9) months of the year (i.e., January – March, April – June, July – September). For an enrollment transaction with an election type code of 'L', the application date will determine which quarter the change is made in. For a disenrollment transaction, the effective date of the disenrollment will determine which quarter the change is made in.

The enhancement includes the following changes for the dual/LIS quarterly SEP ("L"):

- A beneficiary may use the "L" election type code to disenroll from a plan, and still use the "L" election code to enroll in a new plan, if both elections occur in the same quarter.
- If a beneficiary enrolls into a PDP and then enrolls into an MA plan for the same effective date, using the "L" election type code, both enrollments will be accepted. Currently, a dual/LIS-eligible beneficiary can use the "L" election type code to enroll in a Part D plan whenever they do not currently have Part D coverage.

- The MARx Eligibility (M232) screen will display the last usage of the dual/LIS quarterly SEP for the latest enrollments (i.e. – latest application date) and disenrollment (effective date minus one day) for the current quarter and the prior quarter.

2. **Allow Updates to Legacy Point of Sale (POS) Edit Records (Implemented Prior to 2019)**

On January 1, 2019, the MARx POS Edit database was updated to implement the Medicare Part D Drug Management Program (DMP) requirements per the Comprehensive Addiction and Recovery Act (CARA) of 2016. All POS Edit records (i.e., legacy) submitted to CMS through MARx under the pre-2019 Part D opioid overutilization policy that existed as of December 31, 2018 were converted to the new CARA Status record format. The only update allowed for legacy records was the addition of an Implementation End-date where the End-date did not previously exist. These records all have Notification Start-dates prior to January 1, 2019 and are displayed on the MARx Update CARA Status (M254) Screen with an 'L' record type.

The November release will allow Part D sponsors to make additional updates to an active pre-2019 beneficiary-specific POS claim edit legacy record with an Implementation Start-date either using the MARx User Interface (UI) or the batch process. The following updates will be accepted when submitted for the same existing Notification Start-date, contract, enrollee, drug class code (OPI) and coverage limitation:

- Update an existing POS Edit Code
- Update an existing Notification End-date
- Add a new Implementation Start-date and/or Implementation End-date

No other legacy record changes will be allowed.

The Plan Communication User Guide will be updated to reflect these changes.

If you have any questions, please contact the CMS Part D OM mailbox at PartD_OM@cms.hhs.gov and put "MARx" in the subject line.

### 3. Automatic Number of Uncovered Months (NUNCMO) Resets for Low Income Beneficiaries in U.S. Territory Part D Plans

A MARx system change will be implemented to automatically reset the NUNCMO to zero for beneficiaries who are enrolled in a U.S. territory Part D plan, and also have a full or partial Medicaid status. A data conversion will be processed to retroactively reset the NUNCMO for current and past beneficiaries in U.S. territory Part D plans with overlapping Medicaid status. This change will be implemented in January 2020.

Two Transaction Reply Codes (TRC) will be redefined to include automatic low income NUNCMO resets for beneficiaries in U.S. Territory Part D plans.

1.  A new NUNCMO reset code 'T' will be added to TRC 217 (Can't Change number of uncovered months) as a part of a rejected transaction 73.
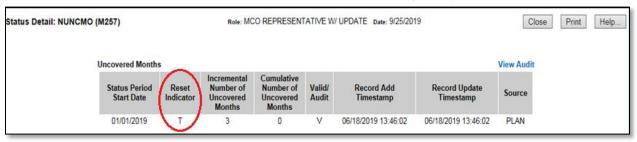
| Code | Type | Title | Short Definition | Definition |
|------|------|-------|------------------|------------|
| 217 | R | Can't Change number of uncovered months | CANT CHG NUNCMO | An uncovered months change transaction (Transaction Type 73) was rejected because the submitted transaction attempted to change the number of uncovered months for an effective date corresponding to a "Late Enrollment Penalty (LEP) Reset" transaction in the CMS database that disallows an uncovered months change transaction.<br><br>LEP Resets include:<br>'A' – Aged<br>'L' – LIS<br>'T' – US Territory<br>'R' – Reset<br><br>**Plan Action:** Take the appropriate actions as per CMS enrollment guidance. |

2.  TRC 295 (Low Income NUNCMO RESET) will be used to communicate to plans when a 'T' NUNCMO reset has occured.

| Code | Type | Title | Short Definition | Definition |
|------|------|-------|------------------|------------|
| 295 | M | Low Income NUNCMO RESET | NUNCMO RSET LIS | This TRC is the result of an automatic system reset, or zeroing, of the cumulative uncovered months for the identified beneficiary. This reset occurred because of one of the following conditions:<br>• The beneficiary has been identified as having the Part D low-income subsidy.<br>• The beneficiary has been identified as being enrolled in an US Territory Part D plan (the plan resides in the US Territory) and maintains a Medicaid (full or partial) status.<br><br>The Reset effective date is in the Daily Transaction Reply Report (DTRR) data record, field 18.<br><br>**Plan Action:** Update plan records accordingly. |

Reset Indicator 'T' will be used on the MARx User Interface (UI) for low income NUNCMO resets for beneficiaries in U.S. Territory Part D plans.

MARx UI – Status Detail NUNCMO (M257)



Status Detail: NUNCMO (M257)   Role: MCO REPRESENTATIVE W/ UPDATE   Date: 9/25/2019

| Status Period Start Date | Reset Indicator | Incremental Number of Uncovered Months | Cumulative Number of Uncovered Months | Valid/ Audit | Record Add Timestamp | Record Update Timestamp | Source |
|---|---|---|---|---|---|---|---|
| 01/01/2019 | T | 3 | 0 | V | 06/18/2019 13:46:02 | 06/18/2019 13:46:02 | PLAN |

## 4. New Medicare Card Project Transition Period – MARx Reminder

During the New Medicare Card Project transition period (04/01/2018 – 12/31/2019), MA and Part D plans have been able to submit MARx transactions and search the User Interface (UI) using either the Health Insurance Claim Number (HICN) or the Medicare Beneficiary Identifier (MBI).

The New Medicare Card Project transition period will end on December 31, 2019. When the transition period ends, plans will no longer be able to use the HICN for MARx batch input or UI transactions. Data submitted containing a HICN will reject as an invalid Beneficiary ID error.