



## **MEDICARE PLAN PAYMENT GROUP**

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**DATE:** December 6, 2006

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

**FROM:** Thomas Hutchinson /s/  
Director

**SUBJECT: Risk Adjustment Data Submission Policy for Medicare Advantage Organizations**

In order to clarify requirements for the submission of risk adjustment data by Medicare Advantage (MA) organizations, we are updating the following policies and procedures for:

- New MA organizations (effective on or after October 1, 2006)
  - Electronic data interchange (EDI) agreements must complete and submit an EDI agreement to our Customer Service and Support Center within one month of your CMS Health Plan Management System (HPMS) effective date;
  - Submission of risk adjustment test data must submit test data within three months of your HPMS effective date; and
  - Submission of risk adjustment production files must submit production files within four months of your HPMS effective date and continue to submit at least one time per quarter thereafter.
- Current MA organizations (effective date before October 1, 2006)
  - Electronic data interchange (EDI) agreements must have completed and submitted an EDI agreement to our Customer Service and Support Center within four months of your CMS Health Plan Management System (HPMS) effective date;
  - Submission of risk adjustment production files must submit at least once every calendar quarter; and
  - Reduction of duplicate risk adjustment submissions must adhere to no more than five percent (5%) per file. We define a duplicate submission as a diagnosis cluster with the same attributes as that already stored in the RAPS database; duplicate submissions result in 502 errors.

We will generate and distribute written CMS noncompliance letters to MA organizations that fail to fulfill these requirements; the letters will be distributed via HPMS. In addition, we will furnish copies of the letters to CMS plan managers, regional office and compliance division staff. An MA organization's failure to comply with the requirements for risk adjustment data submissions may result in suspension of its data submission privileges and impact risk adjusted payments.

If your MA organization needs assistance or is experiencing data submission issues, please contact our Customer Service and Support Center (CSSC) at 1-877-534-2772 or [www.cssoperations.com](http://www.cssoperations.com).

We look forward to continuing to work with your MA organization.

Thank you.