



MEDICARE PLAN PAYMENT GROUP

DATE: November 21, 2007

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

FROM: Thomas Hutchinson /s/
Director

SUBJECT: Medicare Advantage Prescription Drug System (MARx) December 2007 Payment – INFORMATION

This letter provides information related to the December 1, 2007 payment which you will receive on November 30, 2007. It also includes a reminder related to the processing of 2007/2008 PBP rollovers.

2006 Part D Payment Reconciliation

The results of the reconciliation of your 2006 Part D payments were included in the November payment. For some plans, the amount owed as a result of Part D payment reconciliation could not be fully recouped in the November payment. For those plans, CMS will also adjust December payment to recoup outstanding reconciliation amounts.

End of Year Processing/PBP-Level Rollovers

This is a reminder that plans **must** submit transaction type 71s (PBP changes) for actions that cannot be supported by the HPMS crosswalk by the MARx cut-off day in December (12/7).

The crosswalk **does not** support actions where only a portion of the members enrolled in a PBP (e.g., members covered by a specific provider grouping) would be moving to the new PBP or if members of a PBP are moving to multiple new PBPs.

The crosswalk **does** support actions where the entire membership of a PBP is moving to another PBP or the entire memberships of multiple PBPs are moving to one new PBP.

Also, if a PBP is terminating in 2007, failure to submit 71 transactions timely will result in the disenrollment of impacted members effective 12/31/2007. If this occurs, plans should:

- Submit a transaction type 61 to re-enroll the member,
- Include the new 2008 PBP number,
- Include 01/01/2008 as the effective date and
- Use X as the election type.

These transaction type 61s MUST be submitted by the MARx cut-off day in January 2008. Payments for impacted members will resume in the February payment; i.e., An adjustment payment for January and a prospective payment for February.

If you have any questions or issues with items in this letter, please contact your Division of Payment Operations representative per the attached list. Thank you.

Attachment

cc: Mr. Mark Loper, CMS
Ms. Marla Kilbourne, CMS
Mr. David Lewis, CMS
Ms. Cynthia Tudor, CMS
Ms. Julie Boughn, CMS
DPO

DPO REGIONAL ASSIGNMENTS

Health Insurance Specialist

Boston and
New York John Campbell
 (410) 786-0542
 John.Campbell2@cms.hhs.gov

Philadelphia: James Krall
 (410) 786-6999
 James.Krall@cms.hhs.gov

Atlanta: Gloria Webster
 (410) 786-7655
 Gloria.Webster@cms.hhs.gov

Chicago: Janice Bailey
 (410) 786-7603
 Janice.Bailey@cms.hhs.gov

or

Louise Matthews
(410) 786-6903
Louise.Matthews@cms.hhs.gov

Dallas: Joanne Weller
 (410) 786-5111
 Joanne.Weller@cms.hhs.gov

Kansas City: Terry Williams
 (410) 786-0705
 Terry.Williams@cms.hhs.gov

Denver: Francine Jordan
 (410) 786-6505
 Francine.Jordan@cms.hhs.gov

San Francisco: Kim Miegel
 (410) 786-3311
 Kim.Miegel@cms.hhs.gov

or

Terry Williams

(410) 786-0705
Terry.Williams@cms.hhs.gov

Seattle: David Evans
(410) 786-0412
David.Evans2@cms.hhs.gov

PACE and William Bucksten
And Demos (410) 786-7477
William.Bucksten@cms.hhs.gov