

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850



Medicare Plan Payment Group
Innovative Healthcare Systems Delivery Group

DATE: December 6, 2013

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

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

Cathy Carter /s/
Director, Innovative Healthcare Systems Delivery Group

SUBJECT: UPDATE- Announcement of February 2014 Software Release

The Centers for Medicare and Medicaid Services (CMS) continues to implement software improvements to the enrollment and payment systems that support Medicare Advantage and Prescription Drug (MAPD) programs. This letter provides detailed information regarding the release of systems' changes scheduled for February 2014. This version of the letter replaces the version dated November 26, 2013. The February 2014 release focuses on improving the efficiency of CMS systems as well as Plan processing.

The February 2014 Release changes are as follows and may require Plan action:

1. [Edit Plan-Submitted Part C Premiums](#)
2. [Reporting Identified Drug Overutilizers](#)

1. Edit Plan-Submitted Part C Premiums

Plans submit Part C premium amounts to the Medicare Advantage Prescription Drug System (MARx) when members elect optional supplemental benefits. Currently, MARx determines whether the submitted amounts fall within the range of acceptable Part C premiums for the specified Plan Benefit package (PBP). MARx accepts premium amounts that include pennies. However, the Social Security Administration (SSA) and the Railroad Retirement Board (RRB) ignore the pennies in the premium amounts. As a result, MARx records a different Part C premium amount than SSA or RRB withholds and sends to CMS, so the premiums are not sent to the Plans.

Effective with the February 2014 release, MARx begins editing to detect if a submitted Part C premium amount includes pennies, and rounds any pennies to the nearest dime.

- Example 1: If a Plan submits \$25.55; MARx converts the premium to \$25.60.
- Example 2: If a Plan submits \$25.51; MARx converts the premium to \$25.50.

The following attached TRCs are modified for clarification:

- *TRC 119, Premium Amount Change Accepted and TRC 182, Invalid PTC Amount Submitted Corrected, Accepted; [Attachment A](#).*

2. Reporting Identified Drug Overutilizers

Beginning in contract year 2013, Part D Plan sponsors were required to identify beneficiaries who are overutilizing opioids and, in certain cases after providing a 30-day notice to the beneficiary, to implement a beneficiary-level edit at the Point of Sale (POS). Currently, sponsors are required to notify CMS when implementing a beneficiary-level POS edit by e-mailing the beneficiary's name, address, date of birth, and Health Insurance Claim Number (HICN) along with a copy of the notification letter to the central office mailbox, PartDPolicy@cms.hhs.gov, and the CMS account manager (HPMS memo, Supplemental Guidance Related to Improving Drug Utilization Review Controls in Part D, 9/6/12).

As a result of the February 2014 release, Part D contracts will be able to submit the beneficiary-level POS edit information for opioid overutilizers identified in their Plans into MARx, using a batch submission (Transaction Type 90). The original memorandum dated November 26, 2013 incorrectly stated that, beginning in February 2014, Part D contracts would also have the capability of entering POS edit information through a user interface (UI). The UI function is currently delayed, and CMS will notify Plans when it is available. Until that time, Plans will be able to utilize the batch submission (Transaction Type 90) process as described in this memo. Contracts are only allowed to access or modify beneficiary POS edit information during periods of enrollment. The information includes drug class, POS edit type, and dates for when the beneficiary receives notification of the beneficiary-level POS edit, or when the edit was implemented and/or terminated. Only opioid POS edits are accepted in this release, but the addition of other drug or drug classes are expected in the near future.

The February release includes the following changes:

- New Transaction Type (90) allows contracts to submit their POS Drug Edit information through the normal batch file submission process. The contract submits a separate transaction when each of these events occur: Notification, Implementation, or Termination.
 - *Transaction Type 90 Layout – POS Drug Edit, [Attachment B](#).*
- The contract receives a reply on their Daily Transaction Reply Report (DTRR) when the transaction is accepted or rejected along with the POS record information.
 - *Transaction Codes and Descriptions for POS Edit Transaction Type 90 Records, [Attachment C](#).*
- Contracts are notified if a newly enrolled beneficiary had an Active POS edit while enrolled in the immediately preceding Part D contract, via the DTRR with TRC 322: New Enrollee POS Drug Edit. Since the reply does not include the drug class or status of the POS Drug Edit, the prior contract is included to facilitate communication between

contracts. A POS edit is considered 'Active' if the previous contract submits POS edit information stating that the beneficiary received notification of a beneficiary-level POS edit, or of edit implementation. The contract is advised to contact the previous contract's overutilization contact for pertinent details about the beneficiary's POS opioid edit and overutilization case file.

- CMS users can flag POS edit information, which sends a reply in the DTRR with TRC 720: CMS Audit Review POS Drug Edit to alert the Plan. Contracts are to review the POS Drug Edit transactions for this beneficiary and submit corrections if appropriate, and/or contact CMS via e-mail at PartDPolicy@cms.hhs.gov with subject "POS Edit Reporting" to discuss the flagged POS Drug Edit information.
- When the UI interface is available, Part D contracts or CMS Users may enter and update the beneficiary POS Drug Edit information through the UI. Currently only CMS Users will have access through UI. When the new contract user role is assigned, the MCO POS Edit User, will have user access to two new screens:
 - M254 – Update POS Drug Edit
 - M255 – POS Drug Edit Detail

Contract users will be notified in the future when they can register for this new MARx role. The Plan External Point of Contact (EPOC) authorizes their access.

Each contract's overutilization contact information is posted weekly as a HPMS memo or quarterly to the Improving Drug Utilization Review Controls in Part D Web site:

<http://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/RxUtilization.html>.

The Health Plan Management System (HPMS) will distribute the user guide closer to the release date. Please e-mail questions regarding this change to PartDPolicy@cms.hhs.gov with a subject heading "POS Edit Reporting."

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.

Attachment A: TRC 119, Premium Amount Change Accepted and TRC 182, Invalid PTC Amount Submitted Corrected, Accepted

Code	Type	Title	Short Definition	Description
119	A	Premium Amount Change Accepted	PREM AMT CHG	<p>A Part C Premium Change transaction (Transaction Type 78) was accepted. The Part C premium amount has been updated with the amount submitted on the transaction. The effective date of the new premium will be reported in the Daily Transaction Reply Report data record field 18. The amount of the new Part C premium will be reported in field 34 of the DTRR record.</p> <p>Plan Action: Update the Plan’s records accordingly, ensuring that the beneficiary’s premium amounts are implemented as of the effective date in field 18. Take the appropriate actions as per CMS enrollment guidance.</p>
182	A	Invalid PTC Amount Submitted Corrected, Accepted	PTC PRM OVERRIDE	<p>An Enrollment, PBP change, Enrollment Cancellation, Disenrollment Cancellation or Part C Premium Record Update transaction (Transaction Types 61, 78, 80, 81, 82) was accepted but the Part C premium submitted on the transaction did not agree with the Plan’s HPMS contracted Part C premium rate. The premium has been adjusted to reflect the contracted rate. The corrected Part C premium rate is reported in Daily Transaction Reply Report (DTRR) data record fields 24 and 34.</p> <ul style="list-style-type: none"> • If the submitted Part C premium amount has pennies, the Part C premium amount was rounded to the nearest dime. • If the rounded Part C premium amount was less than the HPMS contracted Part C premium minimum amount or greater than the HPMS contracted Part C premium maximum amount for the Plan, MARx has reset the premium to the HPMS contracted Part C premium minimum amount. <p><i>Note: If any of the HPMS contracted Part C premium amounts contained pennies, the amounts were rounded for these comparisons.</i></p> <p>TRC 182 is the acceptance TRC for Transaction Type 78. For the other transaction types, normal acceptance TRCs will be returned along with TRC 182.</p> <p>Plan Action: Update the Plan’s beneficiary records with the premium information in the DTRR record. Take the appropriate actions as per CMS enrollment guidance.</p>

Attachment B: Transaction Type 90 Layout – POS Drug Edit

ITEM	FIELDS	SIZE	POSITION	POS Drug Edit (90)
1	HIC#	12	1 – 12	Required
2	Surname	12	13 – 24	Required
3	First Name	7	25 – 31	Required
4	M. Initial	1	32	Optional
5	Gender Code	1	33	Required
6	Birth Date (YYYYMMDD)	8	34 – 41	Required
7	Filler	5	42 - 46	N/A
8	Contract #	5	47 – 51	Required
9	Filler	8	52 – 59	N/A
10	Transaction Code	2	60 – 61	Required
11	Filler	13	62 – 74	N/A
12	Update/Delete Flag	1	75	Required
13	POS Drug Edit Status	1	76	Required
14	POS Drug Edit Class	3	77 - 79	Required
15	POS Drug Edit Code	3	80 - 82	Required
16	Notification Date	8	83 - 90	Required
17	Implementation Date	8	91 - 98	Required if Status is I
18	Termination Date	8	99 - 106	Required if Status is T
19	Filler	103	107 - 209	N/A
20	Plan Assigned Transaction Tracking ID	15	210 - 224	Optional
21	Filler	76	225 - 300	N/A

Attachment C: Transaction Codes and Descriptions for POS Edit Transaction Type 90 Records

The following TRCs are either modified or added to support the POS Drug Edit capability:

Code	Type	Title	Short Definition	Definition/Description
001	F	Invalid Transaction Code	BAD TRANS CODE	<p>A transaction failed because the Transaction Type code (field 16) contained an invalid value.</p> <p>Valid Transaction Type code values are 01, 51, 61, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83 and 90. This transaction should be resubmitted with a valid Transaction Type code.</p> <p><i>Note: Transaction Types 41, 42 and 54 are valid but not submitted by the Plans.</i></p> <p>This TRC is returned in the Batch Completion Status Summary (BCSS) Report along with the failed record and is not returned in the DTRR.</p> <p>Plan Action: Correct the Transaction Type Code and resubmit if appropriate.</p>
003	F	Invalid Contract Number	BAD CONTRACT #	<p>A transaction (Transaction Types 01, 51, 61, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83 and 90) failed because CMS did not recognize the contract number.</p> <p><i>This TRC is returned in the Batch Completion Status Summary (BCSS) Report along with the failed record. This TRC will not be returned in the DTRR.</i></p> <p>Plan Action: Correct the Contract Number and resubmit if appropriate.</p>
004	R	Beneficiary Name Required	NEED MEMB NAME	<p>A transaction (Transaction Types 01, 41, 51, 61, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82,83, and 90) was rejected, because both of the beneficiary name fields (Surname and First Name) were blank. The beneficiary's name must be provided.</p> <p>Plan Action: Populate the Beneficiary Name fields and resubmit if appropriate.</p>
006	R	Incorrect Birth Date	BAD BIRTH DATE	<p>A transaction (Transaction Types 01, 51, 61, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83 and 90) was rejected because the Birth Date, while non-blank and formatted correctly as YYYYMMDD (year, month, and day), is before 1870 or greater than the current year. The system tried to identify the beneficiary with the remaining demographic information but could not.</p> <p><i>Note: A blank Birth Date does not result in TRC 006 but may affect the ability to identify the appropriate beneficiary. See TRC 009.</i></p> <p>Plan Action: Correct the Birth Date and resubmit if appropriate.</p>

Attachment C

Code	Type	Title	Short Definition	Definition/Description
007	R	Invalid Claim Number	BAD HICN FORMAT	<p>A transaction (Transaction Types 01, 51, 61, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83 and 90) was rejected, because the beneficiary claim number was not in a valid format.</p> <p>The valid format for a claim number could take one of two forms:</p> <ul style="list-style-type: none"> • HICN is an 11-position value, with the first 9 positions numeric and the last 2 positions alphanumeric. • RRB is a 7 to 12 position value, with the first 1 to 3 positions alpha and the last 6 or 9 positions numeric. <p>Plan Action: Determine the correct claim number (HICN or RRB) for the beneficiary and resubmit the transaction if appropriate.</p>
009	R	No beneficiary match	NO BENE MATCH	<p>A transaction (Transaction Types 01, 51, 61, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82 83 and 90) attempted to process but the system was unable to find the beneficiary based on the identifying information submitted in the transaction.</p> <p>A match on claim number (HICN) is required, along with a match on 3 of the following 4 fields: surname, first initial, date of birth and sex code.</p> <p>Plan Action: Correct the beneficiary identifying information and resubmit if appropriate.</p>
257	F	Failed; Birth Date Invalid for Database Insertion	INVALID DOB	<p>An Enrollment transaction (Transaction Type 61), change transaction (Transaction Types 72, 73, 74, 75, 77, 78, 79, 83), residence address transaction (Transaction Type 76), cancellation transaction (Transaction Types 80, 81, 82), or POS drug edit (Transaction Type 90) failed because the submitted birth date was either</p> <ul style="list-style-type: none"> • Not formatted as YYYYMMDD (e.g., “Aug 1940”), or • Formatted correctly but contained a nonexistent month or day (e.g., “19400199”). <p>As a result, the beneficiary could not be identified. The transaction record will not appear on the Daily Transaction Reply Report (DTRR) data file but will be returned on the Batch Completion Status Summary (BCSS) data file along with the failed record.</p> <p>Plan Action: Correct the date format and resubmit transaction.</p>

Attachment C

Code	Type	Title	Short Definition	Definition/Description
258	F	Failed; Efctv Date Invalid for Database Insertion	INVALID EFF DT	<p>A disenrollment transaction (Transaction Types 51, 54), enrollment transaction (Transaction Type 61), change transaction (Transaction Types 72, 73, 74, 75, 77, 78, 79, 83), residence address transaction (Transaction Type 76), cancellation transaction (Transaction Types 80, 81, 82) or POS drug edit cancellation (Transaction Type 90) failed because the submitted effective date was either,</p> <ul style="list-style-type: none"> • Blank, • Not formatted as YYYYMMDD (e.g., “Aug 1940”), or • Formatted correctly but contained a nonexistent month or day (e.g., “19400199”). <p>The transaction record will not appear on the Daily Transaction Reply Report (DTRR) data file but will be returned on the Batch Completion Status Summary (BCSS) data file along with the failed record.</p> <p>Plan Action: Correct the date format and resubmit transaction.</p>
321	A	POS Drug Edit Accepted as submitted	PSDE ACC	<p>A submitted POS Drug Edit transaction (Transaction Type 90) was successfully processed. The TRC is applicable for both update and delete transactions.</p> <p>Plan Action: None</p>
322	I	New Enrollee POS Drug Edit Notification	PSDE ENR NOT	<p>The beneficiary had an active POS Drug Edit associated with the enrollment immediately preceding this enrollment. The contract ID associated with this earlier enrollment is supplied in DTRR data record field 24.</p> <p>This TRC supplies additional information about an accepted enrollment transaction. It accompanies the transaction reply with the enrollment acceptance TRC.</p> <p>Plan action: Contact the plan associated with the previous enrollment for pertinent details about the beneficiary’s POS Drug Edit and overutilization case file.</p>
323	R	POS Drug Edit Invalid Enrollment	PSDE INV ENR	<p>A POS drug edit transaction (Transaction Type 90) was rejected because the notification, implementation, or termination date is outside of the contract enrollment period</p> <p>Plan Action: Correct the date(s) and resubmit the transaction if appropriate.</p>
324	R	POS Drug Edit Invalid Contract	PSDE INV CON	<p>A POS drug edit transaction (Transaction Type 90) was rejected because the submitting contract is:</p> <ul style="list-style-type: none"> • LiNet Plan • Not a Part D Plan <p>Plan Action: Correct the contract number and resubmit the POS Drug Edit transaction, if appropriate.</p>

Attachment C

Code	Type	Title	Short Definition	Definition/Description
325	R	POS Drug Edit Status/Date Error	PSDE DATE ERR	<p>A POS drug edit transaction (Transaction Type 90) was rejected due to one of the following date errors:</p> <ul style="list-style-type: none"> • POS status of N and: <ul style="list-style-type: none"> ○ Required Notification Date is missing ○ Implementation or Termination date is populated (these must be blank) • POS status of I and: <ul style="list-style-type: none"> ○ Required Notification and/or Implementation dates are blank ○ Termination date is populated (this must be blank) • POS status of T and: <ul style="list-style-type: none"> ○ Required Notification, Implementation and/or Termination dates are missing <p>Plan Action: Correct the dates and resubmit the POS Drug Edit Transaction, if appropriate.</p>
326	R	POS Drug Edit Implementation Date LT 30 Days	PSDE IMP DT LT 30	<p>A POS drug edit transaction (Transaction Type 90) with a status of I was rejected because the implementation date is less than 30 days of the notification date.</p> <p>Plan Action: Correct the dates and resubmit the POS Drug Edit Transaction, if appropriate.</p>
327	R	POS Drug Edit Termination Date Incorrect	PSDE TERM DT INC	<p>A POS drug edit transaction (Transaction Type 90) with a status of T was rejected because the termination date is before the implementation date if the latest status is I or the notification date if the latest status is N.</p> <p>Plan Action: Correct the dates and resubmit the POS Drug Edit Transaction, if appropriate.</p>
328	R	POS Drug Edit Duplicate Transaction	PSDE DUP	<p>A POS Drug Edit transaction (Transaction Type 90) was rejected because it was a duplicate record. The submitted transaction matched the following values on an existing POS Drug Edit transaction:</p> <ul style="list-style-type: none"> • Status • POS Drug Edit Class • POS Drug Edit Code • POS Drug Edit dates (notification, implementation and/or termination) <p>Plan Action: None required.</p>
329	R	POS Drug Edit Delete Error	PSDE DEL ERR	<p>A POS Drug Edit transaction (Transaction Type 90) was rejected because the transaction attempted to delete an existing POS Drug Edit but there was no corresponding existing record.</p> <p>Plan Action: Correct the information provided and resubmit the transaction, if appropriate.</p>

Attachment C

Code	Type	Title	Short Definition	Definition/Description
330	R	POS Drug Edit Without Associated Records	PSDE WO ASSOC	<p>A POS Drug Edit transaction (Transaction Type 90) was rejected because it was submitted for a beneficiary without a corresponding POS Drug Edit record.</p> <ul style="list-style-type: none"> • When Status = I - Submitted notification date must match an existing record • When Status = T - Both the submitted notification and implementation dates (if present) must match an existing record • When Status = I or T - POS Drug Edit Class must match an existing notification record with the same notification record • When Status = I or T and POS Drug Edit Code must be the same or less restrictive as the notification record with the same notification date • A notification record can only be associated with one implementation and termination record (same POS Drug Edit Class and POS Drug Edit Code) <p>Plan Action: Verify the dates associated with the POS Drug Edit to be updated. Correct and resubmit the transaction, if appropriate.</p>
331	R	Future POS Drug Edit Date Exceeds CCM Plus One	PSDE DT FUT	<p>A POS Drug Edit transaction (Transaction Type 90) was rejected because a submitted notification, implementation or termination date is later than the end of the month that follows the current calendar month.</p> <p>Plan Action: Correct the date(s) and resubmit the transaction, as appropriate.</p>
332	F	Failed, PSDE Dates Invalid for Database Insertion	F PSDE DT INVAL	<p>A POS Drug Edit transaction (Transaction Type 90) failed because one of the following dates was either not formatted as YYYYMMDD (e.g., "Aug 1940") or was formatted correctly but contained a nonexistent month or day (e.g., "19400199"):</p> <ul style="list-style-type: none"> • Notification Date • Implementation Date • Termination Date <p>The failed transaction record is not returned in the DTRR data file. It is returned on the Batch Completion Status Summary (BCSS) data file.</p> <p>Plan Action: Correct the date(s) and resubmit the transaction, as appropriate.</p>
333	R	Reject, Invalid POS Drug Edit Status	PSDE INV STATUS	<p>A POS Drug Edit transaction (Transaction Type 90) was rejected because the submitted POS Drug Edit Status field was blank or contained an invalid value.</p> <p>Valid values are N (Notification), I (Implementation), T (Termination).</p> <p>Plan Action: Correct the POS Drug Edit Status and resubmit the transaction, if appropriate.</p>

Attachment C

Code	Type	Title	Short Definition	Definition/Description
334	R	Reject, Invalid POS Drug Edit Class	PSDE INV CLASS	<p>A POS Drug Edit transaction (Transaction Type 90) was rejected because the submitted POS Drug Edit Class field was blank or contained an invalid value.</p> <p>Plan Action: Correct the POS Drug Edit Class and resubmit the transaction, if appropriate.</p>
335	R	Reject, Invalid POS Drug Edit Code	PSDE INV CODE	<p>A POS Drug Edit transaction (Transaction Type 90) was rejected because the submitted POS Drug Edit Code field was blank or contained an invalid value.</p> <p>Plan Action: Correct the POS Drug Edit Code and resubmit the transaction, if appropriate.</p>
336	R	Reject, Invalid POS Drug Edit U/D	PSDE INV U/D	<p>A POS Drug Edit transaction (Transaction Type 90) was rejected because the submitted POS Drug Edit Update/Delete flag was blank or contained an invalid value.</p> <p>Valid values are U (Update) or D (Delete).</p> <p>Plan Action: Correct the POS Drug Edit Update/Delete flag and resubmit the transaction, if appropriate.</p>
720	I	CMS Audit Review POS Drug Edit	PSDE REVIEW	<p>A CMS User flagged this beneficiary’s POS Drug Edit for review.</p> <p>Plan Action: Review the POS Drug Edit transactions for this beneficiary and submit corrections if appropriate. Contact CMS via email at PartDPolicy@cms.hhs.gov with subject “POS Edit Reporting” to discuss the flagged POS Drug Edit information.</p>
721	A	POS Drug Edit Accepted as submitted –UI	PSDE ACC UI	<p>A submitted POS Drug Edit transaction (Transaction Type 90) was successfully processed via the MARx UI. The TRC is applicable for both update and delete transactions.</p> <p>Plan Action: None.</p>