

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

DATE: December 28, 2016

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) January 2017 Payment – INFORMATION

This letter provides information about the January payment, which is scheduled for receipt on January 3, 2017, and other payment related items that may require plan action.

2017 User Fees

The FY 2017 user fee collections resume in the January – September 2017 payments. The National Medicare Education Campaign (NMEC) user fee for MA-PD plans will be 0.040%; the total amount to be collected is \$66.4 million. The NMEC user fee for PDPs will be 0.043%; the total amount to be collected is \$18 million. The Coordination of Benefits user fee will be \$0.116 per Part D member per month.

Final 2015 Risk Adjustment Reconciliation: Second Iteration

A second iteration of the final 2015 risk adjustment reconciliation adjustments are included in the January 2017 payment. The updated risk scores are based on diagnoses with dates of service from January 1, 2014 to December 31, 2014. The payment adjustments are located on the January 2017 Monthly Membership Report (MMR) with Adjustment Reason Code (ARC) 25 – Part C Risk Adjustment Factor Change/Recon, and ARC 37 – Part D Risk Adjustment Factor Change.

2011 Part D Reopening

CMS has completed the calculations for the reopening of the 2011 Final Part D Reconciliation and the results are included in the January 2017 payment. They appear on the Plan Payment Report (PPR) as a special adjustment type “PRS”.

Repayment of Quality Withhold Amounts to Medicare Medicaid Plans (MMPs)

The repayment of Quality Withhold amounts for 2013 and 2014 for MMPs in the states of California, Illinois, Massachusetts and Virginia are included in the January 2017 payment. They appear on the Plan Payment Report (PPR) as a special adjustment type “OTH”.

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

cc: DPO Representatives
Director, DPO
MAPD Customer Support