

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



CENTER FOR MEDICARE

DATE: July 28, 2023

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

FROM: Jennifer R. Shapiro, Director, Medicare Plan Payment Group

SUBJECT: Medicare Advantage/Prescription Drug System (MARx) August 2023
Payment – INFORMATION

This letter provides information about the August 2023 Medicare Advantage/Prescription Drug payment, which is scheduled for receipt on August 1, 2023.

2018 Risk Adjustment Reconciliation Rerun

Included in the August 2023 payment are updated risk scores that reflect risk adjustment reconciliation rerun adjustments for payment year 2018. The updated risk scores are based on data corrections related to updates made to the MAO-004 reports and the Risk Adjustment Processing System (RAPS), as well as a correction to the calendar year associated with the CPT/HCPCS list used when filtering FFS diagnoses, as described in the December 6, 2022 HPMS memo titled Rerun of Payment Year (PY) 2016.

Sequestration Suspension

While the suspension of sequestration has ended, as required by the statute, we continue to apply the suspension of sequestration for retroactive payment adjustments made for the months of May 2020 through March 2022 and will sequester 1 percent of retroactive payment adjustments made for the months of April 2022 through June 2022 and 2 percent of payments and adjustments for months beginning with July 2022.

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.