

DEPARTMENT OF HEALTH & HUMAN
SERVICES
Centers for Medicare & Medicaid Services
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CENTER FOR MEDICARE

DATE: August 29, 2024

TO: All Medicare Advantage Organizations, PACE Organizations, Medicare-Medicaid Plans, Cost Contractors, and Demonstrations

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

SUBJECT: Rerun of Payment Year (PY) 2018

This memo is to notify Medicare Advantage (MA) Organizations, PACE Organizations, Medicare-Medicaid Plans, Cost Contractors, and any demonstration plans that submit risk adjustment data of the deadline for the submission of deletes for the upcoming rerun of Payment Year (PY) 2018 on Monday, September 30, 2024.

Per the April 15, 2022 HPMS memo, *Reminder of Existing Obligation to Submit Accurate Risk Adjustment Data*, CMS will include closed-period deletes (i.e., diagnoses deleted after the deadline for final reconciliation payments) in this rerun for PY 2018. Section 1128J(d) of the Social Security Act requires that overpayments received under title XVIII or XIX to which an entity is not entitled must be reported and returned no later than 60 days after it was identified by the entity. Once an MA organization has identified that incorrect diagnosis data were submitted, the MA organization is responsible for reporting the overpayment in the Risk Adjustment Overpayment Reporting (RAOR) module in HPMS, and, if the contract is active or has not gone through final settlement, deleting the incorrect diagnosis data through the established submission process (i.e., RAPS and/or Encounter Data Processing System (EDPS)). (42 CFR 422.310(d)(2)). As a reminder, the obligation to submit an overpayment report to the RAOR module applies to all organizations regardless of contract status or the ability to submit data to RAPS and/or EDPS. Plans can access the RAOR module by following this path: HPMS Home Page > Risk Adjustment > Risk Adjustment Overpayment Reporting.

Per the February 29, 2024 HPMS memo, *2024 Risk Score Reruns for Purposes of Payment Recovery*, this run will include both RAPS and encounter data deletes submitted through this deadline. MA organizations should review the March 15, 2024 HPMS memo, *Support for Use of Encounter Data in Overpayment Reruns*, and the May 21, 2024 HPMS Memo *Follow Up to May 1, 2024 "Use of Encounter Data in Overpayment Reruns" User Group for All Organizations Who Submit Risk Adjustment Data*, for guidance related to encounter data deletes.

In addition, MA organizations should review the September 28, 2022 HPMS memo, *Encounter Data Software Release Updates: 2022 Quarter 3 Release*, which informs plans to resubmit Chart Review Record (CRR)-Deletes if they believe the CRR-Deletes were rejected because they would not pass the subset of EDPS edits discussed in the memo.

The deadline to submit all PY 2018 (2017 dates of service) deletions for this rerun is **8:00 PM ET, Monday, September 30, 2024**.

For beneficiaries identified with a PY 2018 risk score change compared to the prior run for the payment year, Medicare Advantage and Prescription Drug (MARx) payment adjustments will be identified on the Monthly Membership Report (MMR) by the Adjustment Reason Code (ARC) 25 – Part C Risk Adjustment Factor Change/Recon and ARC 37 – Part D Risk Adjustment Factor Change. As with all payment runs, all beneficiary demographics, including Medicaid, Long Term Institutional (LTI), and End Stage Renal Disease (ESRD) statuses will be updated with the most current information for PY 2018.

For questions relating to overpayments and/or other questions related to this memo, please email riskadjustmentpolicy@cms.hhs.gov and specify “HPMS memo – Rerun of Payment Year (PY) 2018” in the subject line.