

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



CENTER FOR MEDICARE

DATE: November 27, 2024

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) December 2024 Payment – INFORMATION

This letter provides information about the December 2024 Medicare Advantage/Prescription Drug payment, which is scheduled for receipt on November 29, 2024, and other payment related items that may require plan action.

2023 Final Part D Payment Reconciliation

The 2023 Part D payment adjustment is included in the December 2024 payment. The payment adjustments will be displayed on the Plan Payment Report (PPR) as Special CMS adjustments with the TYPE “PRS.”

Coverage Gap Discount (CGD) Invoice Offsets

The 2024 CGD invoice offsets are included in the December 2024 payment. They appear in separate lines on the Plan Payment Report (PPR) with an adjustment type code “CGD.”

Conversion of MARx to Amazon Web Services

In July 2023 the MARx system successfully cut over from its mainframe-based architecture and currently is processing enrollment, premium, and payment information in a newly designed AWS cloud-based environment. Although the conversion was a success, we are aware of discrepancies that are affecting payment or reporting. This includes, for example, instances where MARx calculated payment using incorrect Part C and Part D risk scores. CMS is actively working to address these issues in future software fixes and data cleanups, prioritizing based on the nature of the cleanup and the impact and will communicate with plans as we work through the cleanups. If you have already submitted a trouble ticket, no further action is required by the plan. If you have been informed by the help desk that your ticket has been consolidated under a “master ticket,” that means we are aware of an issue or concern affecting multiple organizations. Knowing how many organizations are reporting the same problem under the master ticket allows

us to assess the scale of the problem and helps us prioritize the fix to the issue. Questions regarding the MARx system can be sent to mapdhelp@cms.hhs.gov.

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.

If you have any questions or concerns about any of the information within this letter, or wish to inquire about the adjustment going into the November payment for your plans, please contact the MAPD Help Desk at mapdhelp@cms.hhs.gov, or 1-800-927-8069.