

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

DATE: June 6, 2019
TO: Medicare Advantage Organizations, Cost Plans, and Prescription Drug Plan Sponsors
FROM: Jennifer R. Shapiro, Acting Director, Medicare Plan Payment Group
SUBJECT: Release of Medical Loss Ratio (MLR) Data Form and Filing Instructions for Contract Year 2018

Each Medicare Advantage (MA) Organization, Cost Plan, and Part D Plan Sponsor is required to submit MLR information to CMS for each contract year pursuant to the regulations at 42 CFR §§ 422.2460 and 423.2460. This memorandum announces the release of the MLR Data Form and filing instructions for Contract Year (CY) 2018.

The MLR Data Form and filing instructions for CY 2018 may be obtained in the Health Plan Management System (HPMS) beginning Friday, June 28, 2019 at: HPMS Home > Plan Bids > Medical Loss Ratio > CY2018.

The expected timeline for CY 2018 MLR submission is as follows. Another memorandum will be released later this year to serve as a reminder and to confirm the CY 2018 MLR timeline.

- The upload functionality for completed CY 2018 MLR Data Forms will be available in HPMS beginning Friday, November 8, 2019.
- CY 2018 MLR Data Forms must be submitted in HPMS by 11:59 PM Pacific Standard Time (PST) on Friday, **December 6, 2019**.
- The attestation functionality for CY 2018 MLR Data Forms will be available in HPMS beginning Monday, December 9, 2019.
- CY 2018 MLR attestations must be submitted in HPMS by 11:59 PM Pacific Standard Time (PST) on Wednesday, **December 18, 2019**.

The reporting requirements for CY 2018 MLR were revised by the final rule titled “Contract Year 2019 Policy and Technical Changes to the Medicare Advantage, Medicare Cost Plan, Medicare Fee-for-Service, the Medicare Prescription Drug Benefit Programs, and the PACE Program” [CMS-4182-F], which reduced the amount of MLR data that MA organizations and Part D sponsors must submit to CMS on an annual basis. Under these new rules, MA organizations and Part D sponsors will only report the MLR percentage and amount of any remittance owed to CMS for each contract. The final rule also contained policy changes applicable beginning in contract year 2019, which will revise the MLR calculation to include in the MLR numerator all expenditures related to fraud reduction activities (including fraud

prevention, fraud detection, and fraud recovery) and Medication Therapy Management (MTM) programs. Please note that these policy changes are not applicable to the MLR calculation for CY 2018.

Additional guidance regarding the MLR reporting requirements may be found at:
<https://www.cms.gov/Medicare/Medicare-Advantage/Plan-Payment/MedicalLossRatio.html>.

Questions related to the guidance in this memorandum may be sent to MLRreport@cms.hhs.gov.

Technical questions may be addressed to the HPMS Help Desk at hpms@cms.hhs.gov.

MLR guidance for Medicare-Medicaid Plans (MMPs) will be released separately; questions related to MMPs may be sent to MMCOcapsmodel@cms.hhs.gov. Thank you.