

Decoding the CMS Submission Timetable and its Effect on Risk Adjusted Payment

During the first half of each year (January through June) payments from CMS to the health plan are an estimate, based on risk adjustment scores from data submitted by the previous September, covering dates of service for 12 months ending the previous June.

So, the January, 2008 payment was based on risk adjustment data submitted by September 1, 2007 (the previous September) for dates of service from July 1, 2006 through June 30, 2007.

On July first each year, plans begin receiving the "correct" or trued-up payment for the current year, based on all dates of service in the previous year. At that time (actually in August and sometimes even later), health plans receive a payment to correct what should have been paid from January through June.

So, the July, 2008 payment will be based on risk adjustment data from dates of service between January 1, 2007 and December 31, 2007, submitted by March 7, 2008.

You can submit codes for 2007 dates of service (affecting payment for 2008) up until January 31, 2009. If these codes increase what the correct monthly payment to the plan should have been, then in September of 2009 the plan receives payment for that difference, representing the amount the plan was underpaid.

Of course, if the data submitted shows that the plan was originally overpaid, the result is a negative adjustment to plan payment.