

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



CENTER FOR MEDICARE

DATE: July 31 2019
TO: All Part D Plans
FROM: Amy Larrick Chavez Valdez
Director, Medicare Drug Benefit and C&D Data Group
SUBJECT: Updated Eligibility Inquiry (E1) Responses

The purpose of this memo is to inform plans and providers of an upcoming change to the Eligibility Inquiry (E1) response received by pharmacies. The Centers for Medicare & Medicaid Services (CMS) is implementing these changes as part of the industry transition from using Health Insurance Claim Numbers (HICNs) to Medicare Beneficiary Identifiers (MBIs).

The Medicare Access and CHIP Reauthorization Act (MACRA) of 2015 required that Social Security Numbers (SSNs) be removed from all Medicare cards by April 2019. In order to comply with this requirement, in early 2018 CMS issued each Medicare enrollee a new MBI to replace the SSN-based HICN as the beneficiary identifier.

The New Medicare Card project required that Medicare health and drug plans make a number of system modifications to be able to serve a beneficiary who presented with either a HICN or an MBI. In an effort to prevent disruption in services, CMS designated a transition period from April 1, 2018 to December 31, 2019, where stakeholders could use either the MBI or HICN when communicating with providers. To ensure uninterrupted access to pharmacies services during the transition period, the E1 transaction response was changed to include the beneficiary MBI when a beneficiary match is identified. When the transition period ends on December 31, 2019, the E1 will no longer include the MBI. This change will align the E1 transaction response with the X12 270/271, the other eligibility transaction that CMS supports.

CMS recognizes that removal of the MBI from the E1 response may present challenges for some pharmacies that have come to rely on this information. To help address these challenges, CMS is considering further modifying the information returned on the E1 and other transactions processed through the Part D Transaction Facilitator and will keep you apprised of these efforts as they progress. In the meantime, questions about this memorandum can be submitted to PartD_COB@cms.hhs.gov. More information about the New Medicare Card Project can be found at <https://www.cms.gov/Medicare/New-Medicare-Card/index.html>