



Future Updates to the Retiree Drug Subsidy (RDS) System to Accommodate the New Medicare Card Project (originally published April 27, 2017; updated September 25, 2017)

(Known before as the Social Security Number Removal Initiative (SSNRI))

Personal identity theft affects a large and growing number of seniors. People age 65 or older are increasingly the victims of this type of crime. The Medicare Access and CHIP Reauthorization Act (MACRA) of 2015 requires that the Centers for Medicare & Medicaid Services (CMS) remove Social Security Numbers (SSNs) from all Medicare cards by April 2019. As part of a fraud prevention initiative to help combat identity theft and safeguard taxpayer dollars, a new Medicare Beneficiary Identifier (MBI) will replace the SSN-based Health Insurance Claim Number (HICN) on new Medicare cards which will be mailed to beneficiaries between April 2018 and April 2019.

The New Medicare Card Project will require coordination between all stakeholders involved. We recognize that Retiree Drug Subsidy (RDS) Plan Sponsors and their vendors are interested in learning more about how the New Medicare Card Project will affect them. To that end, this memorandum provides general information about how this initiative will impact RDS in order to assist Plan Sponsors and their vendors in preparing for this transition. Additional details about the system will be communicated in the future.

Please contact [CMS' RDS Center](#) if you have additional questions regarding these updates. This memorandum is posted on the [RDS Program Website New Medicare Card Project Webpage](#) to provide interested stakeholders with updated information regarding this initiative and how it will impact RDS. In addition, detailed information about the initiative may be found on the CMS website [New Medicare Cards](#).

General Information

There will be a transition period where CMS will accept either the HICN or the MBI when submitting data to the agency. The transition period will begin no earlier than April 1, 2018, and run through December 31, 2019. However, RDS Plan Sponsors and their vendors may continue to include *either* the HICN *or* the MBI on records submitted through RDS *indefinitely*, meaning both *during and after* the transition period. RDS Plan Sponsors and their vendors should submit the MBI on records when it is available. CMS will monitor the progress of RDS Plan Sponsors and their vendors in making the transition to submitting MBIs.

Retiree Drug Subsidy (RDS) System Updates

File Layouts

The RDS file layouts will be updated by repurposing the field titled “Medicare Health Insurance Claim Number (HICN)” to be the “Medicare beneficiary identifier” field. The format of this field will remain the same. The field name updates to the RDS file layouts are planned to take place in Q4 of 2017, in advance of the start of the transition period, which will begin no earlier than April 2018. *After* the transition period begins, the renamed “Medicare beneficiary identifier” field may contain *either* the HICN *or* the MBI *indefinitely*, meaning both *during and after* the transition period. Specific details regarding the forthcoming updates to each of the RDS file layouts, reason codes, lists, and reports will be detailed in an announcement that will be published on the RDS Program Website. Plan Sponsors will also receive an email when this announcement is posted. In addition, an overview of the upcoming RDS New Medicare Card Project changes will be included in a CMS RDS webinar on October 24, 2017. Please contact [CMS’ RDS Center](#) to register for this very important webinar.

If you have any questions about the information in this document please contact Mary.Best@cms.hhs.gov or Ivan.Iveljic@cms.hhs.gov.