Part D Coordination of Benefits and TrOOP Facilitation

CMS
Office of Financial Management
Part D Coordination of Benefits (COB)

- CMS is expanding existing COB collection and data exchanges to include prescription drug coverage primary and secondary to Part D. These existing exchanges include Medicare Secondary Payer (MSP) Voluntary Data Sharing Agreements (VDSAs) and Parts A and B claim crossover Coordination of Benefits Agreements (COBAs).

- CMS is entering into data exchanges with new entities for prescription drug coverage, i.e. State Pharmaceutical Assistance Programs (SPAPs), Pharmaceutical Benefit Managers (PBMs), and entities that provide drug coverage that do not fit into VDSA or COBA programs.
Part D COB continued

- Information CMS collects will be used by the TrOOP Facilitation Contractor to capture paid claims data secondary to Part D and transmit them to Part D Plans for TrOOP calculation.

- Information CMS collects will be used by Part D Plans for payer primacy determinations and TrOOP calculation.

- The Diagrams below illustrate data exchanges with the COB Contractor (Diagram 1) and three Pharmacy point of sale scenarios: Diagram 2 shows a Group Health Plan is primary to Part due to the policyholder’s active employment status and an SPAP is the tertiary payer after the Part D Plan; Diagram 3 shows the primary Part D Plan and secondary retiree Group Health Plan; and Diagram 4 shows the primary Part D Plan and secondary SPAP. These scenarios are examples and do not illustrate every conceivable scenario.
Diagram 1: Data Exchanges with BCRC

Part D Plans

Medicare Beneficiary Database (MBD)

TrOOP Facilitation Contractor

Supp. Insurer with COBA

Parts A, B, & D Entitlement

Active & Inactive Hospital, Medical, & Drug Coverage

Active & Inactive Drug Coverage

Part D Entitlement

Drug Coverage

Part D Entitlement

SPAP

Exchange 1

Exchange 2

Exchange 3

Exchange 4
Part D Plan (PDP)

Step 1: Pharmacy bills primary PBM paying GHP coverage in the network.

Step 2: PBM responds with paid claim amount.

Step 3: Pharmacy bills PDP secondary.

Step 4: PDP responds with amount paid and displays SPAP coverage as tertiary.

Step 5: Pharmacy bills SPAP tertiary. Unique routing info collected by BCRC indicates that claim is secondary to Part D and flags it for TrOOP Facilitation Contractor.

Step 6: TrOOP Facilitation Contractor flags secondary claim and puts it back in the network. Claim is routed to the SPAP.

Step 7: SPAP responds with amount paid. Flagged claim indicates that TrOOP Facilitation Contractor must capture claim and submit it to PDP for TrOOP calculation.

Scenario: Beneficiary enters Pharmacy and has primary GHP coverage due to active employment, PDP coverage secondary, and SPAP coverage as a payer of last resort. The Pharmacist can query the TrOOP Facilitation Contractor on all known coverage for the beneficiary.

Step 8: Secondary paid claim amount of SPAP is copied to the PDP for TrOOP calculation.

Step 9: Secondary paid claim amount is routed back to pharmacy.

Diagram 2: Primary Group Coverage and Part D
**Diagram 3: Part D and Secondary Group Coverage**

**Scenario:** Beneficiary enters Pharmacy and has primary PDP coverage and secondary retiree GHP coverage. The Pharmacist can query the TrOOP Facilitation Contractor on all known coverage for the beneficiary.

**Step 1:** Pharmacy bills PDP primary

**Step 2:** PDP responds with amount paid and displays Retiree EGHP coverage.

**Step 3:** Pharmacy bills secondary PBM paying the Retiree GHP coverage in the network. Unique routing info collected by BCRC indicates that claim is secondary to Part D and flags it for TrOOP Facilitation Contractor.

**Step 4:** TrOOP Facilitation Contractor flags secondary claim and puts it back in the network. Claim is routed to the PBM paying the Retiree GHP coverage's claims in network.

**Step 5:** PBM responds with amount paid. Flagged claim indicates that TrOOP Facilitation Contractor must capture claim and submit it to PDP for TrOOP calculation.

**Step 6:** Secondary paid claim amount of Retiree EGHP coverage (paid by PBM) is copied to the PDP for TrOOP calculation.

**Step 7:** Secondary paid claim amount is routed back to pharmacy.

**Retiree GHP Coverage (PBM pays on its behalf)**
Step 1: Pharmacy bills PDP primary.

Step 2: PDP responds with amount paid and displays SPAP coverage.

Step 3: Pharmacy bills SPAP secondary. Unique routing info collected by Pharmacy indicates that claim is secondary to Part D and flags it for TrOOP Facilitation Contractor using Part D BIN or PCN.

Step 4: TrOOP Facilitation Contractor flags secondary claim and puts it back in the network. Claim is routed to the SPAP.

Step 5: SPAP responds with amount paid. Flagged claim indicates that TrOOP Facilitation Contractor must capture claim and submit it to PDP for TrOOP calculation.

Step 6: Secondary paid claim amount of SPAP coverage is copied to the PDP for TrOOP calculation.

Step 7: Secondary paid claim amount is routed back to pharmacy.

Scenario: Beneficiary enters Pharmacy and has primary PDP coverage and secondary SPAP coverage. The Pharmacist can query the TrOOP Facilitation Contractor on all known coverage for the beneficiary.
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