



June 23, 2005

NOTE TO: Medicare Advantage Organizations, Prescription Drug Plan Sponsors, and Other Interested Parties

SUBJECT: Updated Instructions: Requirements for Submitting Prescription Drug Event Data to CMS

Today CMS issues an updated version of the instructions to plans and the format file for submitting prescription drug event (PDE) data, in accordance with Subpart G of the Title I Final Rule and §1860D-15 of the MMA. The changes from our previous posting on April 12th are largely technical in nature, summarized as follows:

Changes to instructions

- So that PDE instructions for all plans are available in one document, we inserted into this document the PDE instructions for PACE and payment demonstration plans that we previously posted on May 10th. Those instructions now comprise Sections 14 and 15 of the document we are releasing today **and there are no changes from the guidance we previously released.** However, payment demonstration plans should continue to reference the May 10th Notice for demonstration plans, which still contains guidance and other background material on the payment demonstration concept and remains available only at <http://www.cms.hhs.gov/pdps/PmntNtcNRskAdjMdl.asp>.
- We deleted Drug Coverage Status Code = X since Part C dollars cannot be used to directly fund supplemental drugs.
- Section 1 now cross-references data element and format numbers.
- We now use costs above the OOP threshold (GDCA) as the numerator in the ratio when applying DIR to allowable reinsurance costs. This is mathematically equivalent to the previous formula but we believe it is a more intuitive structure.
- In the target amount, we detailed how administrative costs will be calculated, consistent with the bid process.
- Added one new field, Dispensing Status, also a key field. There is a brief related paragraph added in Adjustment Deletion section.
- Added additional values for Service Provider ID and Prescriber ID to provide additional reporting options pending full NPI implementation. See associated format rules.

Changes to the format

- Added Dispensing Status and made it a key field – when pharmacies issue partial fills, the Dispensing Status field identifies the partial fill and the subsequent completion. Note that DDPS does not support multiple partial fills.
- Added additional values for Service Provider ID and Prescriber ID to provide additional reporting options pending full NPI implementation.

Prescriber ID and Prescriber ID Qualifier - Although DEA is the preferred identifier for Prescriber ID and state license number is the second preferred identifier, plans may use UPIN or NPI (if issued) as alternatives.

Provider Service ID and Provider Service ID Qualifier - In non-standard format only, plans may use any of the following 4 identifiers to report Provider Service ID: UPIN, State License No, Federal Tax Number or “PAPERCLAIM.” “PAPERCLAIM” is the default value assigned by the TrOOP Facilitator. These alternatives may be especially helpful when the prescribing physician also dispenses the drug. Note that in standard format, NCPDP Number or NPI (if issued) is required for Service Provider ID.

- Corrected descriptions of Compound Code values.
- Changed Sales Tax field name to Total Amount Attributed to Sales Tax to clarify that plans must report total sales tax regardless of whether the sales tax is calculated as a flat amount or a percentage. Re-categorized field to “CMS defined.”
- Corrected format of Prescription Service Reference No to numeric and added instructions to left justify the field.
- Made revisions to comply with Drug Coverage Status Code change discussed in the Instructions. The value “X” = Non-covered drug, MA plan only is no longer a valid value.
- Deleted BHD Date from BHD Record.

We appreciate the feedback we have received to date, and we look forward to working with plans in upcoming training sessions and other forums where we will review the instructions and format and answer questions.

Please address questions on the instructions to Ann Marshall (ann.marshall@cms.hhs.gov or 410-786-3059). Please address questions on the format to Sandra Anderson (sandra.anderson@cms.hhs.gov or 410-786-5643). You can also submit questions to our MMA Q&A Database at <http://uat.bcinow.com/mmadatabase/PolicyForm.asp>.

/s/

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