

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



CENTER FOR DRUG and HEALTH PLAN CHOICE

TO: All Part D Sponsors

FROM: Cynthia G. Tudor, Ph.D., Director, Medicare Drug Benefit and C & D Data Group

SUBJECT: Submission of End-of-Year 4Rx Changes

DATE: December 10, 2009

The purpose of this memorandum is to remind Part D sponsors that they need to ensure that a beneficiary's 4Rx data (i.e., Rx BIN, Rx Processor Control Number, Rx Group, Rx Cardholder ID) are correct in CMS systems. Sponsors needing to submit end-of-year changes to 4Rx data in situations when beneficiary enrollment is not changing (perhaps due to a sponsor pharmacy benefit manager (PBM) change) are advised to delay submitting the associated 72 transactions until the last day or two in December or the first few days in January. The new 4Rx data will be reflected in the Medicare Beneficiary Database (MBD) upon processing of the transactions by CMS, thus replacing the existing 4Rx data for the affected beneficiaries. Therefore, to avoid premature updating and use of the new data, the change transactions should be submitted as close to the effective date of the new data as possible.

Sponsors changing PBMs are reminded that updated 4Rx data must be submitted for all enrollees affected by the PBM change. Although enrollment transactions for newly enrolling beneficiaries will include the new processor information, 72 transactions are necessary to update the 4Rx data for all current plan enrollees. Merely notifying CMS of the upcoming PBM change and making associated changes in the Health Plan Management System (HPMS) will not update existing 4Rx data for current plan enrollees. It is critical that 4Rx data in sponsor and CMS systems match for accurate processing of E1 eligibility queries and Nx and Financial Information Reporting (FIR) transactions. Further, sponsors changing PBMs at year-end are also responsible for not only ensuring that any prior year FIR transactions received between January 1st and March 31st are appropriately handled, but that their new PBM has been certified for FIR processing.

If you have any questions concerning this memorandum, please contact Deborah Larwood at 410-786-9500 or Deborah.Larwood@cms.hhs.gov.