

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



Center for Medicare
Medicare Plan Payment Group

DATE: December 13, 2016

TO: All Part D Plan Sponsors

FROM: Cheri Rice, Director
Medicare Plan Payment Group

SUBJECT: Reopening of the 2011 Final Part D Payment Reconciliation

CMS completed the calculations for the reopening of the 2011 Final Part D Payment Reconciliation. The calculations were performed in accordance with § 1860D-14 and § 1860D-15 of the Social Security Act and associated regulations and guidance. The reconciliation calculations utilize all accepted Prescription Drug Event (PDE) data for benefit year 2011 with a processed date, found on the Prescription Drug Front-end System (PDFS) response report, on or before 20160930 Cycle 3; all prospective payments made for Part D net of all adjustments processed through the December 2016 payment; and Direct and Indirect Remuneration (DIR) information received in the Health Plan Management System (HPMS) by September 15, 2016.

In addition to receiving the payment reconciliation reports, sponsors will receive the Part D Exclusion from Reconciliation Report. The Part D Exclusion from Reconciliation Report was described in the January 6, 2014 HPMS memorandum, "Reconciliation PDE Exclusion Process" and the April 16, 2014 HPMS memorandum, "Updates to the Reconciliation PDE Exclusion Process." The report will identify PDEs that were excluded from the reopening of the 2011 Part D payment reconciliation. The financial amounts related to the PDEs excluded from the reopening are provided in an additional Detail record in the PRS Inputs Report to Plans. The record can be identified by the Most Current HICN field on the record, which will read "ADJUSTMENT."

The payment reconciliation reports for reopening will be available in your reconciliation mailboxes at the Customer Service and Support Center (CSSC) on Wednesday, December 14, 2016. If you cannot access these reports, please contact CSSC at 877-534-2772.

Payment adjustments to remit and recover these calculated reconciliation amounts are planned for the January 2016 payment. Payment is contingent on receipt of the *Attestation of Data Relating to CMS Payment to a Medicare Part D Sponsor*, which was due by November 7, 2016. If the attestation has not been received, the payment adjustment will not occur in the January

2016 payment. The payment adjustment will occur after the attestation is received.

The 2011 reopening addresses all reopening requests received to date. All reopening requests received after the 2011 Part D payment reconciliation and prior to the 2011 reopening are now considered to be closed. If, upon review of the 2011 reopening results, a sponsor feels that there is new information for CMS to consider, then a sponsor can submit a reopening request.

Reopening Process

CMS may reopen final payment determinations. Part D sponsors can submit requests for reopening, as instructed in the December 29, 2015 HPMS memorandum, “Revised Reopening Request Process and Notification of Overpayment Related to PDE and DIR Data.” Any requests received from Part D sponsors prior to the release of the final payment determination are not considered valid requests for reopening. The Part D sponsor will have to resubmit the request and the reopening request spreadsheet in accordance with the guidance in the December 29, 2015 memorandum.

Any questions regarding the reopening process can be sent to the Reconciliation Support Contractor, Pacific Consulting Group (PCG), at PartDPaymentSupport@acumenllc.com.

Appeals Process

Appeals are filed when a plan sponsor does not believe that CMS applied its stated payment methodology correctly. Refer to the reopenings and appeals guidance, which was released through HPMS on May 8, 2008, for additional information on the process for filing an appeal.¹ If you wish to appeal, your request must be filed and received by Thursday, December 29, 2016. Requests for appeal should be addressed to Cheri Rice and emailed to the Reconciliation Support Contractor at PartDPaymentSupport@acumenllc.com.

If you intend to mail your appeal, submit the appeal to the Reconciliation Support Contractor at the following address:

Pacific Consulting Group
Attn: Part D Payment Support
643 Bair Island Road, Suite 212
Redwood City, CA 94063

¹ Note that the reopening process described in the May 8, 2008 HPMS memorandum, *The Part D Reopenings Process and the Part D Appeals Process*, has been updated by the December 29, 2015 HPMS memorandum. However, the appeals process described in the May 8th memorandum is still current and should be followed to file an appeal.