

This Frequently Asked Questions (FAQs) document contains information intended to support pharmacies, mail order services, and other dispensing entities as they engage with the Medicare Transaction Facilitator (MTF). To ensure the implementation of the negotiated maximum fair prices (MFPs) agreed upon by CMS and applicable manufacturers for drugs selected for negotiation, CMS established an MTF system composed of two modules: The MTF Data Module (DM) and the MTF Payment Module (PM). For more information, please see the [MTF Fact Sheet](#). Guidance and other important documents about the Negotiation Program can be found on the CMS website [here](#).

These FAQs may be updated periodically and are organized by topic area. If you do not see the answer to your question within this document, guidance, or additional resources available on the [Pharmacy and Dispensing Entity Resources webpage](#) please email MFPMedicareTransactionFacilitator@cms.hhs.gov with your question and CMS will provide you with a response or point you to a relevant resource.

Help Desk and Resources

Q1. Can I speak to someone on the phone regarding my MTF questions?

The MTF Help Desk phone number is 1-877-MTF-4HLP (1-877-683-4457). The hours of operation are 7:00 AM to 7:30 PM ET Monday-Friday, excluding federal holidays.

General and MTF Background

Q2. What is the MTF?

CMS established the MTF to provide the operational infrastructure to facilitate the effectuation of MFPs for drugs selected for negotiation under the Medicare Drug Price Negotiation Program. MFP effectuation is the process by which manufacturers provide pharmacies, mail order services, and other dispensing entities access to negotiated MFPs. The MTF DM is a component of the

MTF that provides the manufacturer with the information necessary to identify and provide MFP refund payments on claims for MFP-eligible individuals, as applicable. For more information about the role of the MTF and its applicability to a dispensing entity's business, please view this [short informational video](#). Users can access more information about the MTF and the Medicare Drug Price Negotiation Program on the [Pharmacy and Dispensing Entity Resources webpage](#) on the Medicare Drug Price Negotiation Program website.

Q3. Is there a published list of the selected drugs and associated National Drug Codes (NDCs) for current and future initial price applicability years?

CMS maintains a list of all NDCs associated with a selected drug, as well as the negotiated MFP on [this website](#). The first link on the webpage connects to a zip file that includes Excel spreadsheets of the selected drugs for all initial price applicability years.

Accessing the MTF DM

Q4. How do I access and use the MTF DM?

An individual user who is already enrolled in the MTF DM can use their CMS Identity Management system (IDM) login to access the MTF DM web-based platform at <https://mtf.cms.gov>. Once logged in, users can manage their accounts and access the various features available within the MTF DM. Dispensing entities can refer to the [MTF User Guide](#), which provides instructions for navigating the MTF DM, and support is available via the [MTF Help Desk](#) to use the system.

For a user to keep their CMS IDM active, they must log in to the MTF DM every 60 days. Users will get email reminders to log in from IDM. Please visit the [CMS IDM Help Center](#) for more information regarding the IDM system, including troubleshooting for expired passwords and other useful guides.

Users who are not already enrolled in the MTF DM may refer to the [MTF Enrollment FAQs](#) for guidance on how to enroll.

MTF DM Claims Processing and MFP Refunds

Q5. How do claims data enter the MTF DM?

The MTF DM is designed to draw on existing claims data flows to minimize the operational burden on dispensing entities. Dispensing entities **do not** need to submit claims for reimbursement through the MTF DM. Instead, the MTF DM leverages claims data that dispensing entities submit to Part D plan sponsors under the normal course of doing business. As described in section 40.4.2 of the [Medicare Drug Price Negotiation Program: Final Guidance for Initial Price Applicability Year 2028 and Manufacturer Effectuation of the Maximum Fair Price in 2026, 2027, and 2028](#) that CMS published on September 30, 2025 (hereafter referred to as “final guidance”), the MTF DM receives adjudicated Part D claims data for selected drugs from CMS' Drug Data Processing System (DDPS).

Q6. How are claims transmitted through the MTF DM?

As described in **Q5 above**, the MTF DM is designed to minimize the operational burden on dispensing entities and leverages claims data that dispensing entities submit to Part D plan sponsors under the normal course of doing business.

As described in section 40.4.2 of final guidance, following a pharmacy's submission of a claim to the Part D plan sponsor, the plan is allotted up to seven days to submit claims for selected drugs to CMS' DDPS; DDPS makes that data available to the MTF DM as soon as it is received from the plans, and the MTF acts to make that data available to the applicable manufacturer on a near-daily basis. Generally, data appears in the MTF DM within approximately 7 days, depending on the plan's timing for submitting data to DDPS.

Next, the MTF DM sends the claims data to the applicable Primary Manufacturer. The MTF DM's transmission of these claim-level data elements starts a 14-day prompt MFP payment window. That is, each manufacturer is allotted up to 14 days to process the data and return their response to the MTF DM. The response (i.e., the claim-level payment elements, as

described in final guidance) provides instructions to the MTF DM for every claim. The manufacturer-submitted data may authorize an MFP refund payment for a given claim, may note that the MFP has been made available for that claim by another mechanism, or may note that an MFP refund is not required (according to the manufacturer) for the claim.

In the event an MFP refund is authorized by the manufacturer, following receipt of such authorization, the MTF PM will process payments to the pharmacy, operationalizing these transactions on all banking days. The MFP refund payments will be distributed to the dispensing entity as directed during their MTF DM enrollment; this may either be to their own bank account (provided during enrollment), or to a third-party support entity (TPSE) that will process the payment on the dispensing entity's behalf.

Q7. How long does it take to receive a refund?

As described in **Q6 above**, there are a number of steps involved in processing each MFP refund including 1) up to 7 days for receipt of the initial data from the Part D plan sponsor, 2) up to 14 days for receipt of MFP refund authorization from the Primary Manufacturer, and 3) up to 5 banking days for the process of actually transferring the funds from the manufacturer's bank account to the dispenser's dedicated bank account. For any given claim, the processing time for each of these steps varies. On average to date, MFP refunds are transferred to the bank account designated by the pharmacy within 21 days of the date of service; however, some claims may move more quickly and some more slowly based on data processing times from either the plan sponsor or the manufacturer.

CMS encourages dispensing entities to use the Claims Tracking Report in conjunction with the 835 Electronic Remittance Advice (ERA) to support claim monitoring and financial reconciliation. The Claims Tracking Report is available through the MTF DM and provides claim-level visibility throughout the refund lifecycle. This report allows users to search for a claim and shows how the refund amount was calculated. Once payment is issued, this information aligns with the 835 remittance which provides the final refund amount and related adjustment codes for reconciliation. Additional information regarding these tools can be found in the resources section of the [MTF Help Desk website](#).

Q8. If a dispensing entity is not enrolled in the MTF DM, will claims reject at point of service for a selected drug?

The Part D plan sponsor is responsible for adjudicating claims for selected drugs regardless of the enrollment status of the dispensing entity. For selected drugs under the Medicare Drug Price Negotiation Program, CMS finalized in the [Contract Year 2026 Part C&D Final Rule](#) that Part D plan sponsors must submit initial Prescription Drug Event (PDE) records within seven calendar days from the date that a Part D plan sponsor (or its contracted first tier, downstream, or related entity) receives the claim. CMS uses the MTF DM to transmit data to the Primary Manufacturer, as described in section 40.4.2 of [final guidance](#).

Q9. How much should a dispensing entity expect to receive for each MFP refund payment?

As discussed in section 90.2.1 of [final guidance](#), the manufacturer is responsible for making the MFP available to dispensing entities. Given that the statutory obligation to effectuate the MFP rests with the manufacturers, the manufacturers are responsible for calculating the correct MFP refund payment amount for each applicable claim to make MFP available.

CMS' final guidance notes that manufacturers may provide refunds at the Standard Default Refund Amount (SDRA), which is the difference between Wholesale Acquisition Cost (WAC) and MFP. The SDRA is based on the WAC as published in pharmaceutical pricing database compendia on the date of service of the Part D claim. Alternatively, manufacturers may provide refunds at an alternative amount and maintain supporting documentation demonstrating why MFP refund payments were provided at an amount other than the SDRA. CMS monitors MFP refund payments closely and on an ongoing basis to assess the extent to which the MFP is being made available.

As discussed in section 40.4.2.2 of [final guidance](#), during the MFP effectuation process, Part D plan sponsors provide an estimated MFP refund amount based on the SDRA to dispensing entities for each Part D claim for a selected drug to assist the dispensing entity in tracking the amount of outstanding refunds owed. The SDRA estimate provided by the Part D sponsor may not reflect the final amount that manufacturers provide to make MFP available.

Q10. When should pharmacies that enrolled in the MTF DM after January 1, 2026, expect to begin receiving reimbursement following dispensation of a selected drug?

Once a dispensing entity enrolls in the MTF DM, a seven-day period is required to confirm that a valid banking connection is established. Once a dispensing entity's banking information is verified, payments are made on a regular basis (as often as daily, dependent on the flow of claims data for a particular pharmacy). If during this seven-day period the MTF encounters any issues validating the dispensing entity's banking information, payment may be delayed until resolution is achieved; the MTF Help Desk will contact dispensing entities to make corrections should any banking connectivity issues arise.

Q11. Is there a waiting period after a dispensing entity updates their banking or payment information in the MTF DM?

Dispensing entities that update their payment information or payment relationships in the MTF DM, such as updating their TPSE relationship, are subject to a seven-day banking information verification period following the update.

Complaints and Disputes

Q12. What should a dispensing entity do if they disagree with the amount of an MFP refund payment that they received from the manufacturer?

If a dispensing entity disagrees with the refund amount received from the manufacturer, as a first action, CMS encourages manufacturers and dispensing entities to work together to mitigate the issue. To facilitate this coordination, CMS requires that manufacturers provide a plan for communicating with dispensing entities regarding such concerns as a component of their MFP Effectuation Plan. The redacted versions of the MFP Effectuation Plans, including details on how to reach a manufacturer directly, are available for dispensing entities to review in the MTF DM under the "Manufacturer Dashboard" segment.

These concerns may also be submitted to CMS via the complaints and disputes portal on the [MTF Help Desk website](#). In these submissions, CMS requests a detailed description of the issue, supporting documentation (if applicable), and contextual information to aid the review

process. The complaints and disputes process is described in section 90.2.2 of [final guidance](#).

Q13. What are the recommended best practices when submitting a Complaint and Dispute form?

The Complaint and Dispute Form is available via the complaints and disputes portal on the [MTF Help Desk website](#). To facilitate efficient processing of your complaint or dispute, please provide thorough responses to all questions on the form. Attaching screenshots and relevant supporting documentation of specific examples is encouraged. Additionally, verify that all submitted information, including National Provider Identifiers (NPIs), Internal Claim Numbers (ICNs), and selected drugs, is accurate and complete. You may submit multiple complaint forms if you have separate issues, or combine complaints with similar concerns into a single complaint submission for efficiency.

Q14. What happens after I submit a complaint?

All complaints are reviewed and the submitter will receive confirmation that their complaint was received. Consistent with the process described in section 90.2.2 of [final guidance](#), complaints may result in an investigation, audit, or enforcement action. However, complaint submissions may not always require a specific resolution. Please note, we may be unable to provide you with notification of the specific outcome or resolution of a particular complaint submission; however, all complaints are carefully reviewed and are documented and tracked as part of regular analysis to identify any patterns or systemic compliance issues.

340B Nonduplication

Q15. How does nonduplication between the MFP and the 340B Ceiling Price affect the MFP refunds issued by Primary Manufacturers for selected drugs dispensed by 340B pharmacies?

As noted in section 40.4.5 of [final guidance](#), Primary Manufacturers are responsible for nonduplication. This means that a Primary Manufacturer is required to make available the lesser of either the MFP or the 340B ceiling price.

If a Primary Manufacturer receives claim-level data elements for a selected drug that it reasonably believes

is a 340B-eligible claim and where the 340B ceiling price is lower than the MFP, the Primary Manufacturer would indicate so when reporting claim-level payment elements to the MTF and decline to transmit payment in an amount that provides access to the MFP. In this scenario, the Primary Manufacturer would be required to provide documentation demonstrating the claim was 340B-eligible and the 340B ceiling price was lower than the MFP upon request from CMS. Otherwise, the MFP must be made available.

If the Primary Manufacturer pays a MFP refund through the MTF PM and later verifies the claim was processed at the 340B ceiling price and the 340B ceiling price is lower than the MFP, the Primary Manufacturer may use the credit/debit ledger system described in section 40.4.3.2 of [final guidance](#) to reconcile duplicate discounts.

Q16. Should 340B pharmacies use a modifier, such as Submission Clarification Code (SCC) 20, to flag 340B claims to ensure nonduplication of the MFP?

Dispensing entities may voluntarily and proactively indicate on a submitted claim that the claim is 340B-eligible using SCC 20 in their claim submission to assist Primary Manufacturers in identifying 340B-eligible claims. When a claim is identified by the pharmacy as 340B-eligible using SCC 20, the MTF passes the 340B indication data to the Primary Manufacturer when the MTF shares the claim-level data elements with each Primary Manufacturer.

Please note, the MTF's provision of the "340B Claim Indicator" data element does not represent or imply that CMS verified the 340B status of the claim nor that dispensing entities are required to include this code on claim submissions. CMS has provided Primary Manufacturers a process to identify applicable 340B-eligible claims through the reporting of claim-level payment elements to the MTF, as described in sections 40.4.3.1 and 40.4.4.1 of [final guidance](#). In addition to requirements outlined in statute and guidance, manufacturers have also developed their own processes for identifying 340B-eligible claims.

Accessing 835s and the Command Line Interface (CLI) Tool

Q17. Where can I find more information on how dispensing entities and their TPSEs will receive claim remittance advice from the MTF DM?

CMS released a final 835 Companion Guide on the [MTF Help Desk website](#). The final MTF 835 Companion Guide clarifies and specifies the data content when exchanging transactions electronically with the MTF DM. It defines how dispensing entities and their TPSEs retrieve claim remittance advice from the MTF DM and provides technical and connectivity specifications for the 835 Health Care Claim: Payment/Advice transaction Version 005010. This final MTF 835 Companion Guide contains instructions for electronic communications as well as supplemental information for ingesting/creating transactions while ensuring compliance with the associated Accreditation Standards Committee X12N Technical Report Type 3 and the Council for Affordable Quality Healthcare – Committee on Operating Rules for Information Exchange (CAQH CORE) companion guide operating rules.

Q18. Where can we find and access the 835 test file?

The MTF 835 test files are available on the MTF DM for registered MTF users with remittance access. The 835 test file is available within the 835 section of the MTF DM or CLI tool. The 835 Companion Guide is available on the [MTF Help Desk website](#).

Q19. Where can I find the CLI Tool in the MTF DM?

The CLI Tool is available in the [MTF DM](#). This link contains the user guide and instructional videos.

Q20. Are payments to dispensing entities and accompanying 835 remittances separated by manufacturer, chain code, or NPI/tax ID?

Payments are separated based upon a payment-remit combination that is based on chain code, payment center, and/or remit provider. For example, if payment is sent to a Pharmacy Services Administrative Organization (PSAO) that is facilitating a central pay system for numerous independent pharmacies or chains where they are receiving both payment and remit, it would be

broken out that way. Or, if the chain level is receiving payment, it would be broken out that way.

Payments are aggregated by manufacturers for dispensing entities based upon those combinations. For example, an independent pharmacy that receives its own payment and remittance would receive one payment per day that would include all ten manufacturers within that one payment.

Each individual store NPI would be identified in the 2000 loops in the claim details section, and prescriptions would be identified in the 2100 loop, following standard 835 processing.

CMS minimizes the amount of transactions and payments sent to and from the MTF DM and pharmacies or other dispensing entities or TPSEs.

Q21. What is the timeline for dispensing entities to receive 835 ERAs following dispensation of a claim for a selected drug?

835 ERAs are available up to three business days after the claim for a selected drug is finalized but are typically released the same day that a deposit is made into a dispensing entity's bank account.

Q22. Does the MTF support splitting payments across multiple NPIs registered within the MTF DM under a chain?

Payments facilitated by the MTF PM are conducted at the "payee" level, which means chains receive payments for multiple NPIs if there are multiple NPIs registered under that chain. Currently, there is no way to split payments across pharmacies under a chain.

However, the 835 ERA files allow the chain or payee to reconcile a payment for multiple pharmacies. Within the 835, the TS3 segments provide the Provider Summary Information, which splits out claim payments across the NPIs. If there is a forwarding balance for a given NPI-Drug combination, then the Provider Level Balance (PLB) segment will break down the forwarding balances at the lower level as well.

For additional information regarding using and interpreting 835 ERA files, please refer to the final 835 Companion Guide, available on the [MTF Help Desk website](#).

MTF 835 Claim Adjustment Reason Codes (CARCs) and Remittance Advice Remark Codes (RARCs)

Q23. What are the different CARC and RARC codes included in the 835 ERA?

CMS has worked with X12 and the CMS RARC Committee to create a CARC and seven RARCs to describe adjustments made to the SDRA on ERAs or remittance made available to dispensing entities. CARCs and RARCs are listed below and can be viewed at: <https://x12.org/codes/claim-adjustment-reason-codes> and <https://x12.org/codes/remittance-advice-remark-codes>

Claim Adjustment Reason Code	307	Medicare MFP SDRA Adjustment. At least one Remark Code must be provided (may be comprised of either the National Council for Prescription Drug Programs (NCPDP) Reject Reason Code, or Remittance Advice Remark Code that is not an ALERT.) Usage: To be used only for the Medicare Drug Price Negotiation Program.
	Remittance Advice Remark Codes	
	N907	No refund because this claim has been identified as 340B-eligible with a ceiling price lower than the MFP.
	N908	No refund because this drug has been prospectively purchased at the MFP.
	N909	Refund amount has been calculated using a methodology that differs from the SDRA calculation ((WAC minus MFP) times Quantity).
	N910	A refund cannot be provided for this claim at this time. Contact the manufacturer directly regarding your eligibility.
	N911	This claim cannot be reimbursed by the manufacturer until the Part D plan submits corrected PDE data to CMS for MFP validation.
	N917	Alternative refund amount has been calculated because the MFP is below the 340B ceiling price.
	N918	No refund because CMS excludes PDE records when a compound code indicates it is for a compounded drug.

Q24. What are the different pricing method codes included in the claims tracking report?

The Pricing Method Code refers to the code that is transmitted back from the manufacturer to identify the method the Primary Manufacturer used to determine the MFP refund amount for a given claim. These codes are described in Table 5 of section 40.4.3.1 of [final guidance](#), which is provided below.

Code	Value
1	SDRA Transmitted
2	Amount Other than SDRA Transmitted
3	No Refund Transmitted – Prospective MFP Access
4	No Refund Transmitted – Section 1193(d)(1) Exception (340B duplicate claim)
5	No Refund Transmitted – Payment Transmission Attempted but Unsuccessful
6	No Refund Transmitted – Other
7	Refund Transmitted Consistent with Alternative Reconciliation
8	Amount Other than SDRA Transmitted – Section 1193(d)(2) Scenario (340B duplicate claim)