

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



**CENTER FOR MEDICARE
MEDICARE PLAN PAYMENT GROUP**

Date: June 25, 2010

To: Medicare Compliance Officer

From: Cheri Rice
Acting Director, Medicare Plan Payment Group

Subject: Reminder of the due date for the Annual DIR Report for Payment Reconciliation

The Centers for Medicare & Medicaid Services (CMS) released the Final Medicare Part D DIR Reporting Requirements for Payment Reconciliation on June 10, 2010. The final requirements announced the deadline for the 2009 annual DIR Report for Payment Reconciliation. This memo serves to remind you that the deadline of **June 30, 2010** is approaching.

Part D sponsors are required to report drug costs and DIR associated with the Medicare prescription drug benefit for the purpose of determining reinsurance payments and risk sharing. CMS uses this data in its calculation of reinsurance and risk sharing payments to Part D sponsors. Per Section 1860D-15(d)(2)(a) of the Social Security Act, CMS payments to a Part D sponsor are conditioned upon the provision of data necessary to determine payment, which include the requisite DIR data. **All** Part D Sponsors are required to submit an Annual DIR Report for Payment Reconciliation through the Health Plan Management System (HPMS).

For technical assistance and questions regarding the download or upload of the DIR Report for Payment Reconciliation, please contact the HPMS Help Desk at 1-800-220-2028. For any other questions regarding this memo, please contact StrategicHealthSolutions, LLC (Strategic) at PartDPaymentReview@strategichs.com.