

DEPARTMENT OF HEALTH & HUMAN  
SERVICES

Centers for Medicare & Medicaid Services  
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**MEDICARE PLAN PAYMENT GROUP**

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**DATE:** January 9, 2026

**TO:** All Part D Plan Sponsors, including PACE Organizations

**FROM:** Jennifer R. Shapiro, Director, Medicare Plan Payment Group

**SUBJECT:** Changes to Plan-to-Plan (P2P) Month-End Reports

The purpose of this memorandum is to notify plans of a logic change within the P2P Month-End Reports (Reports 40, 41, 42, and 43) in order to incorporate the new Medicare Part D Selected Drug Subsidy, part of the Inflation Reduction Act (IRA). Starting in Calendar Year 2026, the P2P Amount within these reports will now be the sum of the Low Income Cost Sharing Subsidy Amount (LICS), Covered D Plan Paid Amount (CPP), and the Selected Drug Subsidy. The Selected Drug Subsidy, like LICS and CPP, must be included in the total P2P amount to continue to ensure the plan submitting the PDE is correctly reimbursed by the plan of record for the covered drug. In addition to the calculation change of the P2P amount, the Selected Drug Subsidy field will be added to Reports 41, 42, and 43. This will be effective with the January 2026 Month-End Reports (distributed to plans mid-February 2026).

Updated P2P Reports 40-43 will be available on the Customer Service and Support Center (CSSC) Operations website at <http://www.csscoperations.com/>. Click on the "Prescription Drug Program" tab and "File and Report Layouts" link to download the files. The files will also be available as attachments with this memorandum. If you have any questions, contact CSSC via e-mail at [csscoperations@palmettogba.com](mailto:csscoperations@palmettogba.com) or by phone at 1-877-534-CSSC (2772).

Thank you.