

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



**CENTER FOR MEDICARE**

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**DATE:** November 25, 2019

**TO:** Part D Sponsors and Pharmaceutical Manufacturers

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

**SUBJECT:** 2016 Benefit Year Closeout for the Coverage Gap Discount Program Invoicing Cycle

This memorandum is a reminder of the upcoming closeout of the benefit year 2016 Coverage Gap Discount Program (CGDP) invoicing cycle. This means that the benefit year 2016 CGDP manufacturer invoicing will conclude 37 months after the end of the benefit year on January 31, 2020 with the Quarter 17 (Q17) invoice. Prescription Drug Event (PDE) records reporting gap discount amounts for benefit year 2016 that require submission, adjustment, or deletion for any reason must be submitted by this date to be included in the 2016 benefit year's final CGDP invoice.

After the January 31, 2020 PDE submission deadline for Q17 has passed, Part D sponsors should continue to submit any outstanding gap discount PDEs and make corrections to any PDEs that require adjustment or deletion for closed out benefit years for accurate PDE reporting. However, these PDEs will not be invoiced for manufacturer payment if the PDEs report a gap discount amount.

For additional details on the annual benefit year closeout process, please refer to the Health Plan Management System (HPMS) memorandum released on December 28, 2016 titled "*Annual Benefit Year Closeout for the Coverage Gap Discount Program Invoicing Cycle*."

Please direct any questions regarding this guidance to the Third Party Administrator at [tpaoperations@tpadministrator.com](mailto:tpaoperations@tpadministrator.com) or 1-877-534-2772, Option 1. Thank you.