

# **Part C&D Weekly Bulletin**

*for the week of April 17, 2006*

## **Upcoming Deadlines & Events:**

- On Friday April 21, 2006, HPMS will be refreshed with 4 weeks of call center data.
- The first Actuarial Technical User Group Call is scheduled for April 20, 2006 @ 11am EST.

## **Part D CY07 Transition Attestation (1)**

**Subject:** Final CY2007 Transition Attestations

**File Name:** CY2007TransitionAttestations.doc

**Summary:** The following attachment contains information related to the contract year 2007 transition process submissions. For 2007, all Part D sponsors must complete the information contained in the attachment. Organizations will not be submitting their transition policy in narrative format.

A CMS-approved transition process is one of several required elements that must be approved in order to approve plan benefit packages for 2007.

All Part D sponsors may begin submitting the transition process attachment on Monday, May 1, 2006. Plans must submit completed transition processes to

[PartDformularies@cms.hhs.gov](mailto:PartDformularies@cms.hhs.gov) by Friday May 5, 2006.

For questions about the transition process submission, please contact Merri-Ellen James at 410-786-4462 or [merri-ellen.james@cms.hhs.gov](mailto:merri-ellen.james@cms.hhs.gov).

## **Call Center Standards (1)**

**Subject:** CY 2006 Customer and Provider Telephone Contact Standards

**File Name:** MemoCY06CusandProvTeleStandards\_04.19.06.pdf

**Summary:** Currently, all Part D sponsors (including PDP Sponsors, MA-PD Organizations, and Cost Plan Sponsors offering Part D Plans) must comply with the call center requirements stated in the HPMS notice issued on February 23, 2006. The chart attached to the notice describes performance standards for customer support lines for prospective and current enrollees, pharmacy technical support lines, and lines dedicated to provider inquiries concerning Part D exceptions and appeals. These standards continue until the start of the annual enrollment period, November 15, 2006, when the standards included in the 2007 Call Letters will apply.

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*for the week of April 17, 2006*

### **Formulary (2):**

**Subject:** Medicare Parts B/D Coverage Issues

**File Name:** MemoPAGuidancePartBvsD.pdf,

PartsBDCoverageSummaryTable\_04.18.06.pdf, and DueDiligenceQA\_03.24.06.pdf  
(previously distributed via HPMS on 03.28.06)

**Summary:** In late March, CMS issued policy guidance to Part D sponsors regarding simplifying whether a drug should be billed to Part D versus Part B (see Clarification of Plan Due Diligence in Prior Authorization of Part B versus Part D Coverage Determinations, dated March 24, 2006). Since we issued this guidance, we have continued to receive concerns from pharmacists that plans are not implementing this policy. Thus, we are re-issuing our prior guidance and also providing additional information about operationalizing the Part B versus Part D due diligence approach (See the last column of the attached Parts B/D Coverage Summary Table titled “Written Prescription Indicators to Highlight B/D Coverage”).

**Subject:** Part D Drugs/Part D Excluded Drugs

**File Name:** PartDDrugsPartDExcludedDrugs\_04.19.06.pdf

**Summary:** This table provides Part D coverage clarifications for specific products/drugs/drug categories in accordance with statutory and regulatory requirements for Part D drugs. This is not an exhaustive list but only addresses those products/drugs/drug categories that have been the subject of frequently asked questions. Specific products not identified in this table should always be evaluated against the statutory and regulatory definition of a “Part D drug” before drawing conclusions from this table. This table does not address B versus D coverage questions.

### **Part D Policy (3)**

**Subject:** Coordination of Benefits Q&As April 18, 2006

**File Name:** COBQA\_04.17.06.pdf

**Questions:** May Part D plan sponsors implement 30-day filing limits for beneficiaries to provide documentation to plans of amounts incorrectly paid by the beneficiary or for other payers to provide information for the coordination of benefits?

What process should plans follow when they receive an N1 transaction, but have no supplemental payer information on file to identify who the payer is?

**Subject:** Reimbursement to LTC Pharmacies for Retroactive Subsidy-level Cost Sharing Charges

**File Name:** QAR reimbursingLTCPharmaciesDirectly\_r04.18.06.pdf

**Question:** In situations where a full-benefit dual eligible meets the definition of an institutionalized individual but is incorrectly charged cost sharing for prescriptions under the Part D benefit, may Part D plans reimburse their contracted long term care (LTC) pharmacies directly when implementing retroactive subsidy level changes?

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**Subject:** Level III Low-Income Cost Sharing In Plans with Deductibles Less Than the Statutory Level III Amount

**File Name:** QALI3CostSharingwithDedLessL3Amt\_04.17.06.pdf

**Summary:** Please clarify the lesser of calculation used to determine Level III Low Income (see table below) cost sharing in a plan with a deductible less than the statutory Level III deductible (\$50 in coverage year 2006). Should the lesser of calculation include the \$50 deductible, thereafter basing the lesser of calculation on 15% of any remaining gross covered drug cost for the prescription event? We are asking how to use the lesser of test to calculate and report Level III low-income cost sharing in plan benefit packages (PBPs) with deductibles that are less than the statutory amount.

### **Part D Marketing (1):**

**Subject:** Draft Model Marketing Materials

**File Names:** DRAFTCY2007ModelPharmacyDirectory.pdf,  
DRAFTCY2007ModelPartDMemberIDCard.pdf, and  
DRAFTCY2007ModelMAPDCCombinationMemberIDCard.pdf

**Subject:** The Draft Model Pharmacy Directory, Draft Model PDP ID card and Draft Model MA-PD ID card are being released for public comment. The comment period will begin on 4/19/2006 and will end on 4/26/2006. All comments on these models should be sent electronically to [pdp.marketing.documents@cms.hhs.gov](mailto:pdp.marketing.documents@cms.hhs.gov).

### **Part D Performance Measures (1):**

**Subject:** Part D Plan Reporting Requirements

**File Name:** MemoPartDReportingRqmts\_04.19.06.pdf

**Summary:** Monitoring and oversight of all Part D Plans is vital to the success of the Medicare Prescription Drug Benefit. In an effort to ensure compliance with Part D regulations, Plan reporting of data is required. Specific data elements to be reported were outlined in the final Part D Reporting Requirements document posted on April 18, 2005 and updated January 26, 2006.

The Part D reporting module is now available in the Health Plan Management System (HPMS) for Plans to begin data submission.

### **Part C & D Bid Submission (1)**

**Subject:** Actuarial Technical User Group Calls

**File Name:** NoticeActuarialUserCall\_04.13.06.pdf

**Summary:** This memorandum serves as a reminder to organizations preparing CY2007 bids that CMS Office of the Actuary will be hosting a series of weekly actuarial technical user group calls.

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### **Part C Auditing (1)**

**Subject:** Medicare Advantage Audit Guide

**File Names:** MemoMAAuditGuideIndustryComment\_04.18.06.pdf and IndustryCommentstoMAAuditGuide.pdf

**Summary:** The Centers for Medicare & Medicaid Services (CMS) has revised the Medicare Advantage Audit Guide to address changes implemented from the Medicare Modernization Act of 2003. Changes were made both to the guide and the associated worksheets.

### **Systems (3)**

**Subject:** Sweep of Risk Adjustment Processing System (RAPS) Data

**File Name:** MemoRAPSSweep\_04.05.06.pdf

**Summary:** This notice is to advise you that on April 1, 2006, CMS swept RAPS data for dates of service from January 1, 2005 though December 31, 2005.

**Subject:** HPMS Monitoring Module

**File Name:** MemoMMCAudit\_04.18.06.pdf

**Summary:** The Centers for Medicare & Medicaid Services (CMS) has updated the HPMS Monitoring Module. As part of this update, the “Monitoring Module” has been renamed the “MMC Auditing Module”. The name change has no impact on the function of the module. This update affects Medicare Advantage Organizations, PPOs, Private Fee-for- Service Plans, 1876 Cost Plans, 1833 HCPP plans, Central Office, and Regional Offices users.

**Subject:** Special TRR Communication – Clean Ups and TRC 199

**File Name:** MemoSpecialTRRs04.17.06.pdf

**Summary:** As mentioned on previous MA/PDP Operational User group calls and emails, CMS will on occasion conduct a series of data “clean-ups” resulting in a Special TRR. We are scheduling the delivery of the Special TRRs typically on either Mondays or Tuesdays. This email is to inform you of the possibility of your plan receiving a TRR as a result of clean-ups conducted over the past week. The following is a description of the clean-ups conducted. Keep in mind not every plan will receive a TRR as a result of each of these clean-ups.