



CENTERS FOR MEDICARE & MEDICAID SERVICES

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TO: All Part D Plans

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SUBJECT: Clarifications on the Contract Year (CY) 2022 Part D Pricing Validation Inventory

CMS has produced an updated version of Appendix C (CY 2022 Drug Pricing Validation Inventory) from the “Contract Year (CY) 2022 Part D Pricing Data Submission Guidance” memo distributed on May 28, 2021. These changes include the following:

Pharmacy Network Size All Retail and Pharmacy Network Size Preferred Retail Validations

As noted in the Appendix C published on May 28, 2021, the “Pharmacy Network Size All Retail” and “Pharmacy Network Size Preferred Retail” thresholds are changing from 10% to 1% for CY 2022.

To avoid disruption to the CY 2021 submission process, CMS will use the following approach for implementing the threshold change:

- The “Pharmacy Network Size All Retail” and “Pharmacy Network Size Preferred Retail” thresholds will remain at 10% for the remainder of the CY 2021 production submission windows.
- The “Pharmacy Network Size All Retail” and “Pharmacy Network Size Preferred Retail” thresholds will remain at 10% for the three CY 2022 test submission windows.
- CMS will implement the threshold change beginning with the first CY 2022 production submission window, starting on Monday, September 13, 2021. These validations will be

treated as informational findings for both the submission window starting on Monday, September 13, 2021 and the subsequent window starting on Monday, September 27, 2021.

- These validations will be switched back to attestable, suppressible findings beginning with the third CY 2022 production submission window, starting on October 11, 2021.

Brand and Generic Dispensing Fee Validation

As noted in the Appendix C published on May 28, 2021, CMS has added a new brand and generic dispensing fee validation. CMS has revised the attached Appendix C to clarify how the findings will be presented in HPMS.

In the May 28, 2021 version of Appendix C, the brand and generic dispensing fee validation was presented in a single row as an attestable, suppressible finding.

Level	Validation Name	Long Description	Additional Guidance	Error Type
2	Brand and Generic Dispensing Fees	Your pharmacy cost file has at least two retail pharmacies with a \$3 difference in the brand and generic dispensing fees for a given days supply (30, 60 or 90). This is a suppressible error.	This is a new validation for CY 2022.	Attestable Suppressible

In the revised Appendix C, the finding is presented as three distinct rows, each representing a particular days supply:

Level	Validation Name	Long Description	Additional Guidance	Error Type
2	Difference in Brand and Generic Dispensing Fees for a 30 Day Supply	Your pharmacy cost file has at least two retail pharmacies with a \$3 difference in the brand and generic dispensing fees for a given 30 day supply. This is a suppressible error.	This is a new validation for CY 2022.	Attestable Suppressible
2	Difference in Brand and Generic Dispensing Fees for a 60 Day Supply	Your pharmacy cost file has at least two retail pharmacies with a \$3 difference in the brand and generic dispensing fees for a given 60 day supply. This is a suppressible error.	This is a new validation for CY 2022.	Attestable Suppressible
2	Difference in Brand and Generic Dispensing Fees for a 90 Day Supply	Your pharmacy cost file has at least two retail pharmacies with a \$3 difference in the brand and generic dispensing fees for a given 90 day supply. This is a suppressible error.	This is a new validation for CY 2022.	Attestable Suppressible

In addition, a separate brand and generic dispensing fee validation has been added as an informational finding. This validation will flag pharmacy cost files where there is one (1) retail pharmacy with a \$3 difference in the brand and generic dispensing fees for a given days supply.

Level	Validation Name	Long Description	Additional Guidance	Error Type
2	Difference in Brand and Generic Dispensing Fees	Your pharmacy cost file has one retail pharmacy with a \$3 difference in the brand and generic dispensing fees for a given days supply (30, 60, or 90).	This is a new validation for CY 2022.	Informational

The updated Appendix C is attached.

For questions related to this memo, please contact the HPMS Help Desk at either 1-800-220-2028 or hpms@cms.hhs.gov.