

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
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## **CENTER FOR BENEFICIARY CHOICES**

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**Date:** January 30, 2008

**To:** All Part D Plan Sponsors

**From:** Thomas Hutchinson  
Director, Medicare Plan Payment Group

**Subject:** Drug Data Processing System (DDPS) 2008 Operational Updates

In the 2008 benefit year, the Prescription Drug Event (PDE) record layout includes two new fields to allow Part D plans to report Estimated Rebates Applied to the Point-of-Sale and Part D Vaccine Administration Fees. CMS issued previous guidance on Estimated Rebates Applied at the Point-of-Sale on November 26, 2007 and June 1, 2007 and on Part D Vaccine Administration Fees on October 29, 2007.

The addition of these two new fields has precipitated changes to the PDE record layout, the Drug Data Processing System (DDPS) return file layout, to the editing performed by DDPS, and to the layouts of Reports 4 PACE and Non-PACE, Report 40, Report 41 Report 42, and Report 43. This guidance summarizes those changes on the file layouts and in the DDPS editing for these new fields and highlights other changes CMS has made to these file layouts since they were originally published. The updated file layouts and DDPS edits document are attached to this memorandum.

### **Changes to the PDE Record**

On the PDE record, the field “Estimated Rebate at POS” has been added to the layout in positions 291 through 298 and the field “Vaccine Administration Fee” has been added to the layout in positions 299 through 306. Plans should use the updated PDE record layout to report amounts in these fields.

Plans should note that Vaccine Administration Fee is now included in the calculations of both the Gross Drug Cost Below the Out of Pocket Threshold (GDCB) and the Gross Drug Cost Above the Out of Pocket Threshold (GDCA).

### **DDPS Editing for Estimated Rebates at POS and Vaccine Administration Fee**

The addition of these two fields to the PDE record layout has also lead to changes to CMS’s editing of the PDE record.

The following edits have been created for the “Estimated Rebates at POS” field:

Edit 646 - “Estimated Rebate At Point of Sale is missing or invalid. For service dates effective January 1, 2008 forward, must be  $\geq$  zero. For service dates prior to 2008, must be zero or spaces.”

Edit 810 - “Estimated Rebate at Point of Sale amount is invalid. Must equal zero in PDEs submitted by PACE Programs.”

For the “Vaccine Administration Fee” field, the following edits have been created:

Edit 647 - “Vaccine Administration Fee Amount is missing or invalid. For service dates effective January 1, 2008 forward, must be  $\geq$  zero. For service dates prior to 2008, must be zero or spaces.”

Edit 694 - “The sum of Ingredient Cost, Dispensing Fee, and Vaccine Administration Fee must be  $>$  zero.”

Edit 742 - “If the amount in the Vaccine Administration Fee field is  $>0$ , then the NDC code must qualify as a valid Part D vaccine drug.”

Edit 763 - “If Drug Coverage Status Code is ‘E’ or ‘O’ then the Vaccine Administration Fee must be zero.”

The following edits have been modified:

Edit 630 - “The Ingredient Cost Paid is missing or invalid. The Ingredient Cost Paid must be  $\geq$  zero.” CMS will now accept a zero amount in the Ingredient Cost Paid Field. Previously CMS required that Ingredient Cost Paid be greater than zero.

Edit 641 - Positions 291-306 of the PDE layout are no longer considered FILLER.

Edit 690 – “Sum of Cost Fields  $>$  Sum of Payment Fields +/- Rounding Error and Dispensing Status is ‘blank’ or ‘P.’” Sum of cost fields to include vaccine administration fee as a cost.

Edit 691 – “The sum of GDCB and GDCA is not equal to the sum of Ingrid Cost + Disp Fee + Sales Tax + Vaccine Administration Fee.” Sum of cost fields to include vaccine administration fee as a cost.

Edit 692 – “Sum of Cost Fields  $<$  Sum of Payment Fields +/- Rounding Error and Dispensing Status is ‘blank’ and CPP + NPP  $> 0$ .” Sum of cost fields to include vaccine administration fee as a cost.

Edit 693 – “Sum of Cost Fields < Sum of Payment Fields +/- Rounding Error and Dispensing Status is ‘C.’” Sum of cost fields to include vaccine administration fee as a cost.

Edit 808 – “For a Covered Drug, Sum of Ingredient Cost Paid, Dispensing Fee Paid, Total Amount Attributed to Sales Tax, and Vaccine Administration Fee must equal Covered D Plan Paid Amount in PDE submitted by a PACE Program.” Sum of cost fields to include vaccine administration fee as a cost.

Edit 809 – “For a Non-Covered Drug, Sum of Ingredient Cost Paid, Dispensing Fee Paid, Total Amount Attributed to Sales Tax, and Vaccine Administration Fee must equal Non-Covered Plan Paid Amount in PDE submitted by a PACE Program.” Sum of cost fields to include vaccine administration fee as a cost.

#### **Changes to File Layouts of Reports 4 PACE and Non-PACE and Report 40**

Estimated Rebates at POS and Vaccine Administration Fee will also be added to Reports 4 PACE and Non-PACE and Report 40 that plans receive monthly from CMS.

#### **Changes to Report 04**

On Report 4 Non-PACE, the two new fields were added to the detail level report and are rolled up at the plan benefit package and contract levels. The Net Estimated Rebate at POS Amount field has been added to the:

Detail (DET) Record in positions 369 to 382.

Plan Benefit Package Trailer (PTR) Record in positions 340 to 353.

Contract Trailer (CTR) Record in positions 346 to 359.

On Report 4 – Non-PACE, the Net Vaccine Administration Fee has been added to the:

DET Record in positions 383 to 396.

PTR Record in positions 354 to 367.

CTR Record in positions 360 to 373.

In addition, on Report 4 – Non-PACE, the calculations of the fields GDCB, GDCA, and Net Total Gross Drug Cost now include Vaccine Administration Fee in addition to Net Ingredient Cost, Net Dispensing Fee, and Net Sales Tax.

Report 04 PACE will include the Net Vaccine Administration Fee field only. This field can be found on the:

DET Record in positions 233 to 246.

PTR Record in positions 204 to 217.

CTR Record in positions 201 to 214.

Plans should note that the Detail Sort Order Record on both Report 4 Non-PACE and Report 4 PACE has been updated to read Drug Coverage Status Code and then Current CMS HICN. The sort order for Report 4 has not changed; the record specifying the sort order has been modified to reflect the actual sort order of the reports.

### **Changes to Report 40**

On Report 40, the two new fields were also added to the detail level report and are rolled up at the plan benefit package and contract levels. On Report 40, Net Estimated Rebate at POS Amount field has been added to the:

DET Record in positions 388 to 401.

Submitting Plan Benefit Package Trailer (PTR) Record in positions 354 to 367.

Submitting Contract Trailer (CTR) Record in positions 360 to 373.

On Report 40, Net Vaccine Administration Fee field are on the:

DET Record in positions 402 to 415.

Submitting Plan Benefit Package Trailer (PTR) Record in positions 368 to 381.

Submitting Contract Trailer (CTR) Record in positions 374 to 387.

### **Changes to the File Layouts of the P2P2 Reports 41, 42, and 43**

#### **Changes to Reports 41 and 43**

Vaccine Administration Fee is now included in the calculation of the field Current Month Total Gross Drug Cost which is found on the DET Record, the Contract of Record Trailer (RTR) Record, and the Submitting Contract Trailer (CTR) Record on Report 41 and on DET Record, the Submitting Contract Trailer (STR) Record, and the Contract of Record Trailer (CTR) Record.

#### **Changes to Report 42**

Contracts should also note that Vaccine Administration Fee is now included in the calculation of the field Net Total Gross Drug Cost which is found on Report 42 on the Detail (DET) Record, on the PBP of Record Trailer (PTR) Record, and on the Contract of Record Trailer (CTR) Record.

### **Updated DDPS Return File**

On the DDPS Return File, Estimated Rebate at POS can be found in positions 291 to 298 and Vaccine Administration Fee can be found in positions 299 to 306. As in the PDE record layout, Vaccine Administration Fee is included in the calculations for GDCA and GDCB on the Return File.

### **Implementation of Changes**

Plans should register with the Customer Service and Support Center (CSSC) to receive timely updates regarding changes in DDPS operational processing. Plans can register through the CSSC website at <http://www.csscooperations.com>.

If plans have any questions regarding these changes, please contact Sandra Anderson at [Sandra.anderson@cms.hhs.gov](mailto:Sandra.anderson@cms.hhs.gov) or Merri-Ellen James at [merriellen.james@cms.hhs.gov](mailto:merriellen.james@cms.hhs.gov).