DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard Baltimore, Maryland 21244-1850



CENTER FOR MEDICARE

TO:	All Part D Sponsors
FROM:	Cynthia G. Tudor, Ph.D., Director, Medicare Drug Benefit and C & D Data Group
	Jon Booth, Director, Web and New Media Group
SUBJECT:	Updates to the Medicare Plan Finder tool for Floor Pricing and the CY 2012 Pricing Data Requirements
DATE:	January 27, 2012

In October 2011, CMS announced the Medicare Plan Finder (MPF) will have a floor pricing enhancement launched in the spring 2012 refresh. Floor pricing is a pricing mechanism that is used when a sponsor negotiates a minimum price that a given pharmacy will be paid for filling a prescription.

Floor pricing will be implemented on the MPF per the following schedule:

- Test Submission #1: March 15 16, 2012
 - This first test submission will test PC and PF files with the new floor pricing file format. These data will not be publicly released.
 - CMS will NOT be performing the full set of quality assurance (QA) checks on these data. Sponsors should review their submission results directly from the Plan Compare Administrative Console.
- Test Submission #2: March 29 30, 2012
 - The second test submission for the PC and PF new file format with floor pricing will go through CMS' additional QA checks.
 - These data will not be publicly released.
- Plan Preview on Staging: April 11 13, 2012
 - Sponsors will have the opportunity to preview floor pricing based on data submitted during test submission #2.
 - Sponsors can email <u>Plancompare@DRx.com</u> or call (888) 203-8497 with questions between the hours of 8:30 AM and 6:30 PM ET. Correspondence received after 6:30 PM ET will be returned the following business day. To expedite assistance, plans should provide the contract and plan ids.
- First Regular Submission Window including Floor Pricing data: April 23 24, 2012
- Floor Pricing will be Posted on the MPF: May 7, 2012

CMS is in the process of developing QA checks for floor pricing and anticipates that these checks will be announced by late March 2012.

In addition to floor pricing information, CMS updated the first bullet point on page 14 of the CY 2012 Pricing Data Requirements, "Unit pricing can be provided for both a one-month retail supply and three-month mail-order supply." If a plan mistakenly enters 000000000000 in the applicable cost field, a default drug price will be calculated for that drug/dose form (represented by an FRF related NDC or supplemental excluded drug file NDC). Default drug prices are used to approximate cash prices. The price displayed is the default drug price plus a dispensing fee, not only the dispensing fee as previously noted.

An updated CY 2012 Pricing Data Requirement document and CY 2012 Pricing Data Submission Calendar for Medicare Plan Finder is also attached. If you have questions regarding this memo, emails should be directed to <u>PlanFinderQA@cms.hhs.gov</u>. If you have technical questions regarding the CY 2012 Pricing Data Requirements, please contact the DRx Help Desk at <u>Plancompare@DRx.com</u> or call (888) 203-8497 between the hours of 8:30 AM and 6:30 PM ET.

Thank you for your continued support.