

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Medicare
7500 Security Boulevard, Mail Stop C1-13-07
Baltimore, Maryland 21244-1850



Medicare Plan Payment Group

Date: August 30, 2018

To: All Part D Plan Sponsors, including PACE Organizations

From: Jennifer Harlow, Deputy Director
Medicare Plan Payment Group

Subject: 2017 Attestations of Prescription Drug Event (PDE) Data, Direct and Indirect Remuneration (DIR) Data, Monthly Plan-to-Plan (P2P) Reconciliation Payments, and the Detailed DIR Report

Each year, Part D sponsors are required to certify their Part D cost data by submitting the *Attestation of Data Relating to CMS Payment to a Medicare Part D sponsor*, the *Attestation of Plan-to-Plan (P2P) Reconciliation Payment Data*, and the *Attestation of Data Relating to Detailed DIR Report*. The Centers for Medicare & Medicaid Services (CMS) requires that the attestations be signed electronically by the Chief Executive Officer (CEO), Chief Financial Officer (CFO), or Chief Operating Officer (COO). An electronically signed copy of **all** attestations is required to receive risk sharing and reinsurance payment adjustments resulting from the 2017 Part D payment reconciliation. Part D sponsors must also submit the *Record of P2P Reconciliation Payments*, which summarizes P2P payments made to other Part D sponsors. As in previous years, the *Record of P2P Reconciliation Payments* will be downloaded from the Health Plan Management System (HPMS), completed by the sponsor, and uploaded to HPMS.

The attestations will be available through the HPMS on September 4, 2018. An electronically signed copy of the attestations must be completed in HPMS by **noon ET on September 14, 2018**. The *Record of P2P Reconciliation Payments* is also due at this time.

Attestations and Worksheets must not be mailed or faxed.

A description of the attestations and the *Record of P2P Reconciliation Payments* is provided below. In addition, please see Attachment I for detailed instructions on completing these documents. Questions concerning these attestations should be directed to PDE_DIR_Attestations@cms.hhs.gov.

2017 Attestation of Data Relating to CMS Payment to a Medicare Part D Sponsor

Per 42 CFR 423.505(k)(3) and (5), Part D sponsors are required to certify the claims data and allowable costs that they submit for purposes of risk corridor and reinsurance payment. By signing the *Attestation of Data Relating to CMS Payment to a Medicare Part D sponsor*, Part D sponsors certify that PDE data, Summary DIR data, and any other information provided for the purposes of determining allowable reinsurance and risk corridor costs for contract year 2017 are accurate, complete, and truthful. In addition, Part D sponsors acknowledge that this information will be used for purposes of obtaining federal reimbursement. Part D sponsors must attest that they have processed all retroactive adjustments received by May 30, 2018. Part D sponsors must also certify that payments that have been made for Part D claims were made in accordance with the coordination of benefits guidance in Chapter 14 of the Medicare Prescription Drug Benefit Manual and other applicable CMS guidance. This would include payments made to long-term care pharmacies and beneficiaries as a result of retroactive changes in a beneficiary's low-income subsidy (LIS) status.

2017 Attestation of Data Relating to Detailed DIR Report

Section 9008 of the Patient Protection and Affordable Care Act (Public Law 111–148) (ACA), as amended by section 1404 of the Health Care and Education Reconciliation Act of 2010 (Public Law 111–152) (HCERA), imposes an aggregate annual fee on certain manufacturers of branded prescription drugs. The aggregate annual fee in 2019 will be \$2.8 billion and will be paid by manufacturers or importers with aggregate gross receipts from branded prescription drug sales over \$5 million to specified government programs, including Medicare Part D.

Each year Part D sponsors are required to report Detailed DIR data at the contract/plan-benefit-package/11-Digit National Drug Code (NDC) level in order to determine the aggregate sales data requested by the Internal Revenue Service (IRS). By electronically signing the *Attestation of Data Relating to Detailed DIR Report*, the Part D sponsors certifies that DIR data provided in the Detailed DIR Report are accurate, complete, and truthful and fully conform to the requirements in the Medicare Part D program regulations and the contract year 2017 Medicare Part D Detailed DIR Reporting Requirements. Part D sponsors must also attest that it has required all first tier, downstream, and related entities that have generated the Detailed DIR data on the Part D plan sponsor's behalf to certify that this information is accurate, complete, and truthful based on their best knowledge, information, and belief.

2017 Record and Attestation of P2P Reconciliation Payments

Part D sponsors must submit the 2017 *Record of P2P Reconciliation Payments* (see Attachment II for template with sample data) to reflect any P2P payments made for contract year 2017. The record will be populated with the following:

- payer contract number (*i.e.*, the contract making the payments),

- contract number paid (*i.e.*, the contract to which the payments were made),
- total amount owed for contract year 2017,
- total amount paid for contract year 2017,
- difference between the total amount owed and the total amount paid (automatically populated),
- amount paid for each month in which P2P reports were generated for contract year 2017 (*i.e.*, January 2017 through June 2018),
- two questions related to differences reported for total amount owed verses total amount paid, and
- additional comments, which will include information regarding the sponsor's ability or inability to make complete, accurate, and timely P2P payments. (Note that Part D sponsors are responsible for paying P2P amounts within 30 days of when CMS releases the monthly reports.)

The template of the *Record of P2P Reconciliation Payments* **may not be** substituted or revised. In addition, the file must not contain embedded formulas and must not be encrypted.

The 2017 *Record of P2P Reconciliation Payments* must be uploaded into HPMS at the same time that the *Attestation of Plan-to-Plan (P2P) Reconciliation Payment Data* is being signed.

By signing this attestation, the Part D sponsor certifies (based on best knowledge, information, and belief) that accurate and complete P2P reconciliation payments have been made by the Part D sponsor in accordance with the P2P Payable Reports and the P2P Receivable Reports.

Successful submission of the attestation requires successful submission of the *Record of P2P Reconciliation Payments*. In the Documentation section of the Part D Attestations 2017 Start Page, there will be a helpful hints document that will provide instructions for downloading, populating, and uploading the *Record of P2P Reconciliation Payments*. Failure to populate this document correctly will result in rejection of the file. Sponsors are strongly encouraged to submit the attestation and *Record of P2P Reconciliation Payments* early to ensure timely submission of the attestation.

Attachments (2)

Attachment I: Instructions for Submitting Part D Attestations and Record of P2P Reconciliation Payments

Instructions for electronically signing the *Attestation of Data Relating to CMS Payment to a Medicare Part D Sponsor*

Due by noon ET, September 14, 2018

All Part D sponsors who offered an active Part D plan in 2017 **must** electronically sign the attestation through HPMS. This includes PACE organizations even if an organization submitted zero total dollars on their 2017 DIR Report for Payment Reconciliation: Summary Report.

The attestation will become available on September 4, 2018, and may be accessed on HPMS using the following navigation path: HPMS Homepage > Plan Bids > Part D Attestations > Contract Year 2017.

One attestation should be signed per Parent Organization per contract year. Therefore, Part D sponsors offering multiple contracts should submit one attestation for all contracts combined for the applicable contract year. Parent Organization name is pre-populated by HPMS. For all 2017 Part D attestations, the Parent Organization name that was in effect for CY2017 will be referenced. The current Parent Organization name may differ from the historical Parent Organization name.

While CMS cannot change historical data, you may verify the current and past Parent Organization names by viewing the Parent Org Contract-Plan Report. This report is located at the following path: HPMS Home Page > Plan Bids > DIR Reporting > Contract Year > DIR Reports > Parent Org Contract-Plan Report. If the Parent Organization name is incorrect, please contact Arianne Spaccarelli at Arianne.Spaccarelli@cms.hhs.gov. If the Parent Organization name is incorrect on the attestation, sponsors may submit an attachment to the attestation providing documentation of the correct Parent Organization name.

Please Note: This attestation may not be substituted or revised. The attestation must be signed in HPMS by the CEO, CFO, or COO. In the case that a Part D sponsor is aware of an error or potential error in the PDE records submitted to CMS for contract year 2017, has notified CMS of this error, and is working to rectify this error, the Part D sponsor may add an attachment to this attestation which describes the error, the magnitude of the error, and timeline and expectations for resolving this problem. The Part D sponsor must also indicate that CMS has received prior notification of the identified or potential error.

1. Access the PDE/DIR Attestation in HPMS using the following navigation path: HPMS Homepage > Plan Bids > Part D Attestations > Contract Year 2017 > Submit PDE/DIR Attestation. Please Note: If you are not the CEO, CFO, or COO, you will not be able to view or access this path in HPMS.

2. Select Parent Organization

If your Parent Organization is not listed, please contact the HPMS Access team at HPMS_Access@cms.hhs.gov.

3. Select all applicable contracts under your Parent Organization.

If any of the contracts offered by your organization in 2017 are not listed, please contact the HPMS Access team at HPMS_Access@cms.hhs.gov

4. Review the following:

- a. Contract Numbers Listed
- b. Organization Name
- c. Date(s) of Last Successful 2017 Summary DIR Data Submission

5. If you have any attachments to the attestation, save the attachments in a zip file.

- a. An attachment should **be uploaded *only* if either of the following situations described below apply (if at least one of the two situations described below do not apply, the Part D sponsor should not upload an attachment)**:
 - i. The Parent Organization name is incorrect; or
 - ii. The Part D sponsor is aware of an error or potential error in the PDE records submitted to CMS for contract year 2017, has notified CMS of this error, and is working to rectify this error.

If the Parent Organization name is incorrect and cannot be corrected in HPMS, an attachment should be uploaded indicating the correct Parent Organization name and providing legal documentation of the corrected name. As described above, if the Part D sponsor is aware of an error in the 2017 PDE records, an attachment should be uploaded which describes the error, the magnitude of the error, and expectations for resolving this problem. The attachment should also indicate that CMS has received prior notification of the identified or potential error.

6. The signer must enter their title.

7. The CEO, CFO, or COO must electronically sign the attestation. By selecting the “Submit” button, the attestation is signed electronically.

8. Review the uploaded attestation and attachments, if applicable, using the PDE/DIR Attestation Submission or History reports in HPMS.

Instructions for electronically signing the *Attestation of Data Relating to Detailed DIR Report*
Due by noon ET, September 14, 2018

All Part D sponsors who offered an active Part D plan in 2017 **must** electronically sign the attestation through HPMS, with the exception of PACE organizations that submitted zero total dollars on their 2017 DIR Report for Payment Reconciliation: Summary Report.

This attestation will become available on September 4, 2018, and may be accessed on HPMS using the following navigation path: HPMS Homepage > Plan Bids > Part D Attestations > Contract Year 2017.

One attestation should be signed per Parent Organization per contract year. Therefore, Part D sponsors offering multiple contracts should submit one attestation for all contracts combined for the applicable contract year.

Please Note: This attestation may not be substituted or revised. The attestation must be signed in HPMS by the CEO, CFO, or COO. Sponsors may submit attachments to the attestation as appropriate.

1. Access the Detailed DIR Attestation in HPMS using the following navigation path: HPMS Homepage > Plan Bids > Part D Attestations > Contract Year 2017 > Submit Detailed DIR Attestation. Please Note: If you are not the CEO, CFO, or COO, you will not be able to view or access this path in HPMS.

2. Select Parent Organization

If your Parent Organization is not listed, please contact the HPMS Access team at HPMS_Access@cms.hhs.gov.

3. Select all applicable contracts under your Parent Organization.

If any of the contracts offered by your organization in 2017 are not listed, please contact the HPMS Access team at HPMS_Access@cms.hhs.gov

4. Review the following:

- a. Contract Numbers Listed
- b. Organization Name
- c. Date(s) of Last Successful 2017 Detailed DIR Data Submission

5. If you have any attachments to the attestation, save the attachments in a zip file.

An attachment should **be uploaded *only* if either of the following situations described below apply (if at least one of the two situations described below do not apply, the Part D sponsor should not upload an attachment):**

- a. The Parent Organization name is incorrect; or
- b. The Part D sponsor is aware of an error or potential error in the PDE records submitted to CMS for contract year 2017, has notified CMS of this error, and is working to rectify this error.

If the Parent Organization name is incorrect and cannot be corrected in HPMS, an attachment should be uploaded indicating the correct Parent Organization name and providing legal documentation of the corrected name. As described above, if the Part D sponsor is aware of an error in the 2017 PDE records, an attachment should be uploaded which describes the error, the magnitude of the error, and expectations for resolving this problem. The attachment should also indicate that CMS has received prior notification of the identified or potential error.

- 6. The signer must enter their title.
- 7. The CEO, CFO, or COO must electronically sign the attestation. By selecting the “Submit” button, the attestation is signed electronically.
- 8. Review the uploaded attestation and attachments, if applicable, using the Detailed DIR Attestation Submission or History reports in HPMS.

Instructions for Submitting the *Record of P2P Reconciliation Payments*

Due by noon ET, September 14, 2018

All Part D sponsors (including PACE organizations) who offered an active Part D plan in 2017 **must** complete and submit this report in HPMS when electronically signing the *Attestation of Plan-to-Plan (P2P) Reconciliation Payment Data*. Sponsors must include P2P activity from the monthly P2P Receivable Reports (Report 41) and P2P Payable Reports (Report 43). If you cannot access Reports 41 and 43 or have missing or incomplete Reports 41 and 43 data, please contact CSSC Operations at 1-877-534-2772 or csscoperations@palmettogba.com.

If a sponsor does not have P2P activity, a spreadsheet must still be submitted. In this scenario, populate the spreadsheet in the following manner:

- “Payer Contract Number” must be populated with the sponsor’s contract number,
- “Contract Number Paid” must be blank,
- “Total Amount Owed,” “Total Amount Paid,” “Difference,” and all the “Amount Paid” columns for each of the monthly amounts will be populated with zero dollar amounts, and
- “Additional Comments” column must be populated with a statement indicating that the sponsor did not have P2P activity

In addition to the instructions provided below, refer to the sample template provided in Attachment II and the *P2P Worksheet/Attestation Helpful Hints* in the Documentation section of the Part D Attestations 2017 Start Page.

1. Download a 2017 P2P Worksheet template from HPMS using the following navigation path: HPMS Homepage > Plan Bids > Part D Attestations > Contract Year 2017 > (Download) > Download P2P Worksheet Template.

2. Enter the following data:

a. “Payer Contract Number” column – Identify the CMS contract number of the contract the sponsor is certifying for the applicable contract year.

b. “Contract Number Paid” column – Indicate the CMS contract number that the Part D sponsor’s contract **paid**. Each line represents the **total** P2P payments made by the Part D sponsor’s contract to the other contract for the applicable contract year. There must be only one row for each contract paid. If one contract repeats over several rows, showing monthly payments, not the total P2P payments, the spreadsheet will be rejected.

c. “Total Amount Owed” column – Indicate the sum of the total amount that is owed to the contract indicated in the “Contract Number Paid” column. The total amount owed includes both negative amounts found on Report 41, the P2P Receivable Report, and positive amounts found on Report 43, the P2P Payable Report. Negative amounts on Report 41, at the contract

level, are amounts owed to the other contract and thus, are the amounts to be reported on the P2P Payments spreadsheet. Field 13 on the Contract of Record trailer in Report 41 shows the contract level total. If field 13 on the Contract of Record trailer is negative, the amount is a payable, not a receivable. Positive amounts found in field 13 on the Submitting Contract trailer on Report 43 are payables to the other contract. Negative amounts found in field 13 on the Submitting Contract trailer on Report 43 should not be reported. Negative amounts found on Report 43, at the contract level, are receivables. Only document payables owed to the other contracts. Amounts owed should come from Report 41 and Report 43 reports for the 2016 benefit year only. Report 41 or Report 43 reports produced during the 2017 calendar year for other benefit years (e.g., the January 2017 report for the 2016 benefit year) should not be included on the 2017 P2P Payments spreadsheet.

To determine the Total Amount Owed, take the negative amounts from Report 41, at the contract level, and consider them positive since they are positive amounts that the Part D sponsor's contract should have paid to the other contract. Add these values to the positive amounts from Report 43, at the contract level. For example, if the contract has -\$50.00 on Report 41 (field 13 on the Contract of Record trailer) and a total of \$500.00 on Report 43 (field 13 on the Submitting Contract trailer), the Part D sponsor would report a total of \$550.00 (\$50.00 + \$500.00) in the Total Amount Owed column. If the contract erroneously reduces the total amount from Report 43 by the negative amount found on Report 41, the line on the spreadsheet will be reviewed as a payment discrepancy. In this example, if the contract reports

d. \$450 instead of \$550, the contract has failed to account for \$100 in payables to the other contract.

e. "Total Amount Paid" column – Indicate the sum of the total amount that was actually paid to the contract indicated in the "Contract Number Paid" column. This amount must equal the sum of the amounts in the "Amount Paid" columns for January 2017 – June 2018.

Note: The Contract of Record is required to make timely payments to the Submitting Contract within 30-days of CMS distribution of the P2P reports. Therefore, the Total Amount Paid and the Total Amount Owed columns should reflect the same amount.

f. "Difference (Total Amount Owed - Total Amount Paid)" – This amount is automatically populated.

g. "Amount Paid" columns for January 2017 – June 2018 – Report the total amount that was actually paid for each month to the contract indicated in the "Contract Number Paid" column for the applicable contract year. Note: The month in which an amount paid is reported in the P2P Payments spreadsheet should be based on the Report 41 or Report 43 month from which the payments originated, not the month in which your contract actually completed the payment. For example, a payment originating from the May 2018 Report 43 report for the 2017

benefit year should be reported in the May 2018 Amount Paid column, even if your organization did not actually pay until July 2018. Payments made during the 2017 calendar year for benefit years other than 2017 should not be included on the 2017 P2P Payments spreadsheet.

If all P2P payments were made as instructed in the P2P guidance, the amount reported in the “Total Amount Owed” column will be equal to the sum of the amounts reported in the “Amount Paid” columns. If the columns are not equal, an explanation is required in the “Additional Comments” column. Similar to the total amount owed column, the monthly total will include contract level negative amounts found on Report 41 and contract level positive amounts found on Report 43.

Errors found in these columns may result in rejection or, if accepted, may be returned for correction after analysis of payments.

h. “Total Amount Owed and Total Amount Paid differ because payments are not made within the same parent organization” – Indicate yes or no with a “Y” or “N.” This field cannot be blank even if the Total Amount Paid is equal to the Total Amount Owed.

i. “Difference between total amount owed and total amount paid will be resolved at a later date” – Indicate yes or no with a “Y” or “N.” This field cannot be blank even if the Total Amount Paid is equal to the Total Amount Owed.

j. “Additional Comments” column - Any comments or further information regarding the Part D sponsor’s ability to make complete, accurate, and timely payments based on the P2P Payable Report and P2P Receivable Report should be documented in the “Additional Comments” column. If the Part D sponsor neglected to make a payment from one of the P2P reports, this unpaid P2P amount must be indicated in the “Additional Comments” column. In addition, the Part D sponsor must list the report, month, and year for the unpaid P2P amount. If you are listing a report in the “Additional Comments” column, you are required to provide an explanation as to why the payment was not made. The “Additional Comments” column must provide enough information for CMS to understand the payment discrepancy. Any additional information regarding discrepancies between the “Total Amount Owed” column and “Total Amount Paid” column (i.e., the sum of the “Amount Paid” columns for each month) must also be provided in this column.

If there is P2P activity between two contracts within your Parent Organization and your organization does not make P2P payments within the organization, answer “Y” to “Total Amount Owed and Total Amount Paid differ because payments are not made within the same parent organization” and explain the arrangement in the “Additional Comments” column.

If your notes do not clearly explain your situation, you will be required to provide additional

information. The spreadsheet is considered incomplete until the sponsor uploads a revised P2P Worksheet and attestation in HPMS with the additional information. In addition, if you answered “Y” to the “Difference between total amount owed and total amount paid will be resolved at a later date” or your notes indicate you anticipate making a payment, you will have to provide an updated spreadsheet and attestation after payment has been made.

Instructions for electronically signing the *Attestation of Plan-to-Plan (P2P) Reconciliation*
Payment Data

Due by noon ET, September 14, 2018

All Part D sponsors who offered an active Part D plan in 2017 **must** complete and submit the attestation through HPMS. This attestation is available on September 4, 2018, and may be accessed on HPMS using the following navigation path: HPMS Homepage > Plan Bids > Part D Attestations > Contract Year 2017.

One attestation should be submitted per Parent Organization per contract year. Therefore, Part D sponsors offering multiple contracts should submit one attestation for all contracts combined for each applicable contract year. Parent Organization name is pre-populated by HPMS. Please check in HPMS to ensure that the Parent Organization name is correct. Please follow the above instructions, “[Instructions for electronically signing the Attestation of Data Relating to CMS Payment to a Medicare Part D sponsor](#)” in this memorandum if the Parent Organization name is incorrect.

Please note: This attestation **may not be substituted or revised**. The attestation must be electronically signed through HPMS.

1. Access the P2P Attestation on HPMS using the following navigation path: HPMS Homepage > Plan Bids > Part D Attestations > Contract Year 2017 > Submit P2P Worksheet/Attestation. **Note: If you are not the CEO, CFO, or COO, you will not be able to view or access this path in HPMS.**

2. Select Parent Organization

If your Parent Organization is not listed, please contact the HPMS Access team at HPMS_Access@cms.hhs.gov.

3. Select all applicable contracts under your Parent Organization.

If any of the contracts offered by your organization in 2017 are not listed, please contact the HPMS Access team at HPMS_Access@cms.hhs.gov

4. Enter the Payment As of Date.

Indicate the date that the Part D sponsor submitted the most recent P2P Payments for 2017 P2P payment activity. This date cannot be a future date.

5. Attach the P2P Worksheet by clicking the “Browse” button and selecting the appropriate file.

6. Review the following:
 - a. Contract Numbers Listed
 - b. Organization Name
7. The signer must enter their title.
8. The CEO, CFO, or COO must electronically sign the attestation. By selecting the “Submit” button, the attestation is signed electronically.
9. Review the signed attestation using the P2P Worksheet/Attestation Submission or History reports in HPMS.