

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



CENTER FOR MEDICARE

DATE: April 30, 2019
TO: All Part D Plan Sponsors
FROM: Jennifer R. Shapiro, Acting Director, Medicare Plan Payment Group
SUBJECT: April 2019 Updates to the Payment Reconciliation System (PRS)

The Centers for Medicare & Medicaid Services (CMS) is announcing changes to the Payment Reconciliation System (PRS), effective April 21, 2019.

In certain circumstances, CMS may need to adjust the data elements utilized in an initial reconciliation or a reopening. Previous system updates have enabled CMS to have the ability to adjust most fields. The changes in this update include the remaining fields that could potentially be adjusted. Prior to a reconciliation or reopening, CMS will issue guidance explaining how the non-zero values in the adjustment record and/or the DDIRA (Reported Part D Covered DIR Amount) adjustment amounts were derived.

Updates to the adjustment detail record fields

As described in the June 23, 2017 HPMS Memo, *CORRECTION - Payment Reconciliation System (PRS) Part D Payment Reconciliation Reports Updates*, CMS includes an adjustment record on the PRS Inputs Report to Plans in both the initial reconciliation and a reopening. In certain circumstances, CMS includes an adjustment record amount to modify reconciliation data elements. Each plan has an adjustment detail record regardless of whether there is an adjustment amount. Adjustments can have positive, zero, or negative values. This system update enables PRS to perform adjustments for the following additional PRS variables:

- Total Estimated Rebate at POS Amount (ERPOSA)
- Prospective Low-income Cost-sharing Subsidy Amount (PLICSA)
- Prospective Reinsurance Subsidy Amount (PRSA)

More information about how PRS utilizes the adjustment detail record, as well as a description of the existing variables that PRS can adjust can be found in the June 23, 2017 HPMS Memo, *CORRECTION - Payment Reconciliation System (PRS) Part D Payment Reconciliation Reports Updates*.

System functionality added to adjust for Reported Part D Covered DIR Amount

The Reported Part D Covered DIR Amount (“DDIRA”) is located in Field 20 on the PRS Reconciliation Results Report. This system update allows CMS to adjust the reported DDIRA. DDIRA on this report is the summation of DDIRA reported through the Health Plan Management System (HPMS) and, if applicable, any CMS applied DDIRA adjustment amount. This adjustment amount can be positive or negative.

Please submit any questions regarding these updates to PDEJan2011@cms.hhs.gov.

Thank you.