

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



CENTER FOR MEDICARE

DATE: August 30, 2019

TO: All Part D Plan Sponsors, including PACE Organizations

FROM: Jennifer R. Shapiro, Acting Director, Medicare Plan Payment Group

SUBJECT: 2018 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

The Centers for Medicare & Medicaid Services (“CMS”) requires that Part D sponsors certify their Part D cost data each year by electronically signing the following attestations:

1. *Attestation of Data Relating to CMS Payment to a Medicare Part D Sponsor*
2. *Attestation of Plan-to-Plan (P2P) Reconciliation Payment Data* (along with the *Record of P2P Reconciliation Payments*)
3. *Attestation of Data Relating to Detailed DIR Report*

A Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”), or Chief Operating Officer (“COO”) for the Part D sponsor must electronically sign the attestations in the Health Plan Management System (“HPMS”). Electronically signed attestations are required to receive risk sharing and reinsurance payment adjustments resulting from the 2018 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, Part D sponsors will download the *Record of P2P Reconciliation Payments* from HPMS. The sponsor will complete the P2P record and upload it into HPMS when the sponsor signs the *Attestation of Plan-to-Plan (P2P) Reconciliation Payment Data*.

The attestations will be available through HPMS on September 3, 2019. Part D sponsors must electronically sign the attestations in HPMS and upload *Record of P2P Reconciliation Payments* to HPMS by **noon ET, September 13, 2019**. The attestations and P2P record 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. Direct questions concerning this memorandum to PDE_DIR_Attestations@cms.hhs.gov.

2018 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 2018 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, 2019. 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 requirements under 42 C.F.R. 423.464 and 423.466.. 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.

2018 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 2020 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 2018 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.

2018 Record and Attestation of P2P Reconciliation Payments

Part D sponsors must submit the 2018 *Record of P2P Reconciliation Payments* (see Attachment II for template with sample data) to reflect any P2P payments made for contract year 2018. 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 2018,
- total amount paid for contract year 2018,
- 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

- 2018 (*i.e.*, January 2018 through June 2019),
- 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 2018 *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 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 HPMS, in the Documentation section of the Part D Attestations 2018 Start Page, there is a helpful hints document that provides instructions for downloading, populating, and uploading the *Record of P2P Reconciliation Payments*. Failure to populate the P2P record 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.

Thank you

Attachments (2)

Attachment I: Instructions for submitting the three Part D Attestations and the 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 13, 2019

All Part D sponsors who offered an active Part D plan in 2018 **must** electronically sign the attestation through HPMS. This includes PACE organizations even if an organization submitted zero total dollars on their 2018 DIR Report for Payment Reconciliation: Summary Report.

The attestation will become available on September 3, 2019, and may be accessed on HPMS using the following navigation path: HPMS Homepage > Plan Bids > Part D Attestations > Contract Year 2018.

One attestation should be signed per Parent Organization per contract year. Part D sponsors offering multiple contracts should submit one attestation for all contracts combined for the applicable contract year. HPMS pre-populates the Parent Organization name with the name that was in effect for 2018. The current Parent Organization name may differ from the historical Parent Organization name.

Current and past Parent Organization names may be verified in HPMS 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.

Please Note: This attestation may not be substituted or revised. If the Parent Organization name is incorrect on the attestation and cannot be corrected in HPMS, sponsors may submit an attachment to the attestation providing legal documentation of the correct Parent Organization name. Likewise, if a Part D sponsor is aware of an error or potential error in the PDE data submitted to CMS for contract year 2018, has notified CMS of this error, and is working to rectify this error, the Part D sponsor may submit an attachment to the attestation. The attachment 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 2018 > Submit PDE/DIR Attestation. Please Note: Only the CEO, CFO, or COO will be able to view or access this path in HPMS.
2. Select Parent Organization

If the Parent Organization is not listed, please contact the HPMS Access team at HPMS_Access@cms.hhs.gov.
3. Select all applicable contracts under the Parent Organization.

If any of the contracts offered by the organization in 2018 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 2018 Summary DIR Data Submission

5. If necessary, save the attachments to the attestation in a zip file.

An attachment should be uploaded *only* if either of the following situations described below apply:

- 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 2018, has notified CMS of this error, and is working to rectify this error.

6. The signer must enter his/her 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 attestation and, if applicable, the attachment 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 13, 2019

All Part D sponsors who offered an active Part D plan in 2018 **must** electronically sign the attestation through HPMS, with the exception of PACE organizations that submitted zero total dollars on their 2018 DIR Report for Payment Reconciliation: Summary Report.

This attestation will become available on September 3, 2019, and may be accessed on HPMS using the following navigation path: HPMS Homepage > Plan Bids > Part D Attestations > Contract Year 2018.

One attestation should be signed per Parent Organization per contract year. 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. If the Parent Organization name is incorrect on the attestation and cannot be corrected in HPMS, sponsors may submit an attachment to the attestation providing legal documentation of the correct Parent Organization name. Likewise, if a Part D sponsor is aware of an error or potential error in the PDE data submitted to CMS for contract year 2018, has notified CMS of this error, and is working to rectify this error, the Part D sponsor may submit an attachment to the attestation. The attachment 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 Detailed DIR Attestation in HPMS using the following navigation path: HPMS Homepage > Plan Bids > Part D Attestations > Contract Year 2018 > Submit Detailed DIR Attestation. Please Note: Only the CEO, CFO, or COO will be able to view or access this path in HPMS.

2. Select Parent Organization

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

3. Select all applicable contracts under the Parent Organization.

If any of the contracts offered by the organization in 2018 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 2018 Detailed DIR Data Submission

5. If necessary, save the attachments to the attestation in a zip file.

An attachment should be uploaded *only* if either of the following situations described below apply:

- 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 2018, has notified CMS of this error, and is working to rectify this error.
6. The signer must enter his/her 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 attestation and, if applicable, attachment 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 13, 2019

All Part D sponsors (including PACE organizations) who offered an active Part D plan in 2018 **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 Reports 41 and 43 cannot be accessed or if there is missing or incomplete data, please contact CSSC Operations at 1-877-534-2772 or csscoperations@palmettogba.com.

All sponsors must submit a P2P worksheet even if a sponsor does not have P2P activity. If there is no P2P activity, populate the worksheet in the following manner:

- **Payer Contract Number** - populate 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** - populate with zero dollar amounts
- **Additional Comments** - 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 2018 Start Page in HPMS.

1. Download a 2018 P2P Worksheet template from HPMS using the following navigation path: HPMS Homepage > Plan Bids > Part D Attestations > Contract Year 2018 > (Download) > Download P2P Worksheet Template.
2. Enter the following data:
 - a. **Payer Contract Number** – Sponsor's contract number for which the sponsor is certifying.
 - b. **Contract Number Paid** – 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 worksheet will be rejected.
 - c. **Total Amount Owed** – 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 (P2P Receivable Report) and positive amounts found on Report 43 (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 worksheet. 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 2018 benefit year only. Report 41 or Report 43 reports produced during the 2018 calendar year for other benefit years should not be included on the 2018 P2P Payments worksheet.

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 worksheet will be reviewed as a payment discrepancy. In the example above, if the contract reports \$450 instead of \$550, the contract has failed to account for \$100 in payables to the other contract.

- d. **Total Amount Paid** – 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 2018 – June 2019.

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.

- e. **Difference (Total Amount Owed - Total Amount Paid)** – This amount is automatically populated.
- f. **Amount Paid for January 2018 – June 2019** – Report the total amount that was actually paid for each month to the contract indicated in the Contract Number Paid column. Note: The month in which an amount paid is reported in the P2P Payments worksheet should be based on the Report 41 or Report 43 month from which the payments originated, not the month in which the contract actually completed the payment. For example, a payment originating from the May 2019 Report 43 report for the 2018 benefit year should be reported in the May 2019 Amount Paid column, even if the organization did not actually pay until July 2019. Payments made during the 2018 calendar year for benefit years other than 2018 should not be included on the 2018 P2P Payments worksheet.

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.

- g. 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.
- h. 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.
- i. Additional Comments** – 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, and the sponsor is required to provide an explanation as to why the payment was not made. In addition, the Part D sponsor must list the report, month, and year for the unpaid P2P amount. The comments in 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 must also be provided in this column.

If there is P2P activity between two contracts within the same Parent Organization and the 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 the comments in the Additional Comments column are not clear, CMS will request additional information. The worksheet is considered incomplete until the sponsor uploads a revised P2P Worksheet and attestation in HPMS with the additional information requested by CMS. In addition, if the sponsor answered “Y” to the *Difference between total amount owed and total amount paid will be resolved at a later date* or the comments indicate future payments, an updated worksheet and attestation will need to be provided after the payment has been made.

Instructions for electronically signing the
Attestation of Plan-to-Plan (P2P) Reconciliation Payment Data
Due by noon ET, September 13, 2019

All Part D sponsors who offered an active Part D plan in 2018 **must** complete and submit the attestation through HPMS. This attestation is available on September 3, 2019, and may be accessed on HPMS using the following navigation path: HPMS Homepage > Plan Bids > Part D Attestations > Contract Year 2018.

One attestation should be submitted per Parent Organization per contract year. 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 verify that the Parent Organization name is correct in HPMS. If the Parent Organization name is incorrect, follow the instructions above, “[Instructions for electronically signing the Attestation of Data Relating to CMS Payment to a Medicare Part D Sponsor.](#)”

Please note: This attestation may not be substituted or revised.

1. Access the P2P Attestation on HPMS using the following navigation path: HPMS Homepage > Plan Bids > Part D Attestations > Contract Year 2018 > Submit P2P Worksheet/Attestation. Note: Only the CEO, CFO, or COO will be able to view or access this path in HPMS.
2. Select Parent Organization

If the Parent Organization is not listed, please contact the HPMS Access team at HPMS_Access@cms.hhs.gov.
3. Select all applicable contracts under the Parent Organization.

If any of the contracts offered by the organization in 2018 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 2018 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 his/her 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 attestation using the P2P Worksheet/Attestation Submission or History reports in HPMS.