

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



MEDICARE PLAN PAYMENT GROUP

DATE: February 3, 2023

TO: All Medicare Advantage Organizations, Prescription Drug Plans, Cost Plans, PACE Organizations, and Demonstrations

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

SUBJECT: Completion of the Reopening of the 2017 Final Part D Payment Reconciliation

CMS has completed calculations for reopening of the 2017 Final Part D Payment Reconciliation¹, and any payment adjustments stemming from the results of these calculations will be reflected in March 2023 payments. The calculations were performed in accordance with § 1860D-14 and § 1860D-15 of the Social Security Act and associated regulations at 42 CFR 423 subpart G and guidance. The reconciliation calculations utilize all accepted data as follows:

- Prescription Drug Event (PDE) data with a processed date, found on the Prescription Drug Front-end System (PDFS) response report, on or before 20220930 Cycle 3;
- All prospective payments made for Part D net of all adjustments processed through the January 2023 payment; and
- Direct and Indirect Remuneration (DIR) information received in the Health Plan Management System (HPMS) by September 22, 2022.

Sponsors will receive payment reconciliation reports, as well as Part D Exclusion from Reconciliation Reports. The Part D Exclusion from Reconciliation Report was described in the following memoranda: “Reconciliation PDE Exclusion Process,” January 6, 2014, “Updates to the Reconciliation PDE Exclusion Process,” April 16, 2014, and “Updates to the Part D Potential Exclusion Warning Report and Exclusion Report,” December 20, 2019.² The report identifies

¹ Note that guidance for this reopening was released in the April 29, 2022 HPMS memorandum, *Guidance for the Part D Payment Reconciliation Reopening for Calendar Year 2017* (available at <https://www.cms.gov/httpseditcmgovresearch-statistics-data-and-systemscomputer-data-and-systemshpms-hpms-memos-archive/hpms-memos-wk-5-april-25-29>).

² These memos are available at the following links:
January 6, 2014 and April 16, 2014 – <https://www.cms.gov/httpseditcmgovresearch-statistics-data-and-systemscomputer-data-and-systemshpms-hpms-memos-archive/hpms-memos-qtrs-1-4-1>
December 20, 2019 – <https://www.cms.gov/research-statistics-data-and-systemscomputer-data-and-systemshpms-hpms-memos-archive-weekly-items/hpms-memo-2>

PDEs that were excluded from the reopening of the 2017 Part D payment reconciliation.

The payment reconciliation reports and the Part D Exclusion from Reconciliation Reports for reopening will be available in your reconciliation mailboxes at the Customer Service and Support Center (CSSC) on Monday, February 6, 2023. If you cannot access these reports, please contact CSSC at 877-534-2772.

Payment adjustments to remit and recover these calculated reconciliation amounts are planned for the March 2023 payment. Payment is contingent on receipt of the “Attestation of Data Relating to CMS Payment to a Medicare Part D Sponsor,” which was due by November 8, 2022. See the November 1, 2022 HPMS memorandum, “Attestation of Prescription Drug Event (PDE) Data and Direct and Indirect Remuneration (DIR) Data related to the 2017 Reopening.”³ As described in the memorandum, 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. If the attestation has not been received, the payment adjustment will not occur in the March 2023 payment. The payment adjustment will occur after the attestation is received.

All reopening requests received after the 2017 Part D payment reconciliation and prior to the 2017 reopening are now considered to be closed. If, upon review of the 2017 reopening results, a sponsor feels that there is new information for CMS to consider, then a sponsor can submit a reopening request.

Reopening Process

Pursuant to 42 C.F.R. 423.346, CMS may reopen final payment determinations. Part D sponsors can submit requests for reopening, as instructed in the December 29, 2015 HPMS memorandum, “Revised Reopening Request Process and Notification of Overpayment Related to PDE and DIR Data.”⁴

Any questions regarding the reopening process can be sent to the Payment Process Contractor, Acumen, at PartDPaymentSupport@acumenllc.com.

Appeals Process

Pursuant to 42 C.F.R. 423.350, appeals are filed when a plan sponsor does not believe that CMS applied its stated payment methodology correctly. Refer to the reopenings and appeals guidance, which was released through HPMS on May 8, 2008, for additional information on the process for filing an appeal.⁵ If you wish to appeal, your request must be filed and received by February 21,

³ Available at <https://www.cms.gov/htpseditcmgovresearch-statistics-data-and-systemscomputer-data-and-systemshpms-hpms-memos-archive/hpms-memos-wk-1-november-1-4>

⁴ Available at <https://www.cms.gov/Research-Statistics-Data-and-Systems/Computer-Data-and-Systems/HPMS/HPMS-Memos-Archive-Annual-Items/SysHPMS-Memo-Archive-%3F2015-Qtr4>

⁵ Note that the reopening process described in the May 8, 2008 HPMS memorandum, *The Part D Reopenings Process and the Part D Appeals Process* (available at <https://www.cms.gov/htpseditcmgovresearch-statistics-data-and-systemscomputer-data-and-systemshpms-hpms-memos-archive/hpms-memos-qtrs-1-4-0>), has been updated by the April 6, 2018, June 1, 2017, and December 29, 2015 HPMS memoranda. However, the appeals process

2023. Requests for appeal should be addressed to Jennifer R. Shapiro and emailed to the Payment Process Contractor at PartDPaymentSupport@acumenllc.com.

described in the May 8, 2008 memorandum is still current and should be followed to file an appeal (with the exception of the contact information, as indicated above).