

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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**Center for Medicare
Medicare Plan Payment Group**

Date: April 6, 2018

To: All Part D Plan Sponsors, including PACE Organizations

From: Jennifer Harlow, Deputy Director
Medicare Plan Payment Group

Subject: Reopening Process and Updates to the PDE/DIR-related Overpayment Reporting

The Centers for Medicare & Medicaid Services (CMS) is providing clarification to the reopening request process under 42 C.F.R. § 423.346 and announcing changes to the overpayment reporting process as it relates to prescription drug event (PDE) data and direct and indirect remuneration (DIR) data.

Reopening Process

CMS will perform a global reopening of a contract year approximately four years after sending the reports and/or payments associated with the initial reconciliation for that contract year. A “global reopening” is a reopening under 42 C.F.R. § 423.346 in which CMS includes: (1) all active contracts that were also active in the contract year that is being reopened and (2) all terminated contracts that have not completed the final settlement process as of the start of CMS’ reconciliation processing for the reopening. To date, CMS has performed a global reopening for each contract year through 2012. The specific dates for the global reopenings are, and will continue to be, announced via Health Plan Management System (HPMS) memoranda.

Since the global reopenings will occur on a predictable schedule, it may not be necessary for a Part D sponsor to request a reopening of a contract year prior to the data submission deadlines for the global reopening for that contract year. The PDE data submission deadline and the DIR data submission deadline for the global reopening for a contract year will be announced through an HPMS memorandum, as CMS has done in the past.¹ If a sponsor has new or corrected PDE or DIR data to submit after the respective reopening submission deadlines, the sponsor may

¹ See for example, HPMS memorandum, *Guidance for the Part D Payment Reconciliation Reopening for Calendar Year 2012*, March 29, 2017.

request a reopening consistent with the current process outlined in the June 1, 2017 HPMS memorandum, *Updates to the Reopening Request Spreadsheet*.

PDE/DIR-related Overpayment Reporting

As of the date of this memorandum, CMS considers overpayments related to **PDE data** to be reported and returned when the corrected PDE data is submitted to CMS, if: (1) the corrected data is submitted prior to the submission deadline for the global reopening for the contract year in which the overpayment occurred AND (2) the contract with the overpayment will be included in the global reopening (*i.e.*, is an active contract or a terminated contract that has not started the final settlement process).

Overpayments must be reported and returned within 60 days of being identified. Therefore, we are slightly modifying the October 6, 2011 HPMS memorandum, *Revision to Previous Guidance Titled "Timely Submission of Prescription Drug Event (PDE) Records and Resolution of Rejected PDEs"* such that PDE data that are the cause of an overpayment must be adjusted, deleted, or resubmitted within 60 days of being identified in order for the Part D sponsor to be in compliance with section 1128J(d) of the Social Security Act and the regulation at 42 CFR § 423.360. In all other cases, PDE adjustment, deletions, and resubmissions must be submitted within 90 days following discovery of the issue requiring change, as stated in the October 6, 2011 HPMS memorandum.

To clarify, active contracts or terminated contracts that have not started the final settlement process no longer need to submit a reopening request to report an overpayment if the corrected PDE data is submitted prior to the submission deadline for the global reopening for the contract year in which the overpayment occurred. However, if a contract terminates and begins the final settlement process prior to CMS conducting the reopening for the contract year in which the overpayment occurs, the contract will not be part of the global reopening and must submit a reopening request even if the contract has submitted corrected data to CMS.

Overpayments related to **DIR data** must be reported and returned within the earliest DIR submission window. The submission window typically occurs in July each year and is announced in the annual Final DIR guidance released via HPMS.² In order for the Part D sponsor to be in compliance with the 60-day reporting and returning requirement, the sponsor must notify CMS of its intent to submit corrected DIR data to correct a DIR-related overpayment within 60 days of the overpayment being identified. The sponsor will notify CMS by emailing the Reconciliation Support Contractor at PartDPaymentSupport@acumenllc.com with the subject *DIR-related overpayment*. The email only needs to contain high-level information necessary to notify CMS of the sponsor's intent to return a DIR-related overpayment for a specific contract year. As above, if a contract terminates and begins the final settlement process

² See for example, HPMS memorandum, *Final Medicare Part D DIR Reporting Requirements for 2016*, June 23, 2017.

prior to CMS conducting the reopening for the contract year in which the overpayment occurs, the contract will not be part of the global reopening and must submit a reopening request even if an email has already been sent to the Reconciliation Support Contractor.

Overpayments that are not reported and returned by the reopening submission deadlines or overpayments for contracts that will not be included in the global reopening cannot be recouped through the global reopening process. As stated above, those overpayments must be reported to CMS through a reopening request, and CMS will recover the overpayment through payment via check or an offset of the sponsor's monthly prospective payments. The check or the offset amount will be exactly equal to the sponsor's self-reported amount of the overpayment in the reopening request.

Questions regarding this memorandum may be directed to CMS at pdejan2011@cms.hhs.gov. Technical questions regarding the reopening request process may be directed to the Reconciliation Support Contractor at PartDPaymentSupport@acumenllc.com.

Attachment I: Acumen Program Info Website User Authorization Instructions

Acumen has created the Part D Payment Process Support web portal to facilitate communications between sponsors, CMS, and the Reconciliation Support Contractor, Pacific Consulting Group, regarding the Part D payment reconciliation process. This web portal is accessible only to authorized participants, with each contract utilizing a space on the web portal that is separately secure from all other participants. It is essential for each sponsor to establish and maintain access to the [Part D Payment Process Support](#) web portal for appropriate personnel.

In accordance with Federal Information Security Management Act (FISMA) regulations, only the authorizing agent – in this case, the contract’s Medicare Compliance Officer – is authorized to give access to the web portal for each contract. To streamline this process, Acumen has developed the User Security Website – a web tool that allows Medicare Compliance Officers to manage their users’ permissions to Acumen’s web portals. For your contract to gain access to the Part D Payment Process Support web portal, your Medicare Compliance Officer must complete the following steps:

1. Identify individuals who should have access to the website.

Appropriate web portal users are staff who are directly involved in or oversee the Part D payment reconciliation process for your organization. For security purposes, each contract is limited to five authorized users on the web portal.

2. Log onto the User Security Website (https://partd.programinfo.us/user_security).

The latest Medicare Compliance Officer on record in the Health Plan Management System (HPMS) for each contract has been granted access to the User Security website. Compliance Officers should have access to the User Security website through existing work with Acumen. If your Medicare Compliance Officer does not have access to the User Security website or has never logged in, please contact Acumen at PartDPaymentSupport@acumenllc.com. If your Medicare Compliance Officer on record in HPMS is incorrect, please update HPMS directly.

3. Designate users and authorize access permissions via the User Security Website.

Medicare Compliance Officers must complete the user authorization process by reviewing and/or updating current user access settings or authorizing access permissions for new users on the User Security website.

To designate users and authorize access permissions, Medicare Compliance Officers must complete the following steps on the User Security Website:

1. Add an existing and/or new user.

2. Select the Website and contract(s) for each user.
3. Authorize access permissions for each user.

More information for adding users can be found under the Help Documents section of the User Security website.

Following completion of the user authorization process, Acumen will send authorized Part D Payment Process Support web portal users:

- A Welcome Email with the Part D Payment Process Support Web Portal User Guide, Getting Started Guide and Web Portal URL
- A Credential Email with a unique One-Time Password Link and login username

If you have any questions or require assistance with the user authorization process, please contact PartDPaymentSupport@acumenllc.com or (650) 558-8006.