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

MEDICARE DRUG BENEFIT AND C & D DATA GROUP

TO: All Part D Sponsors

FROM: Amy K. Larrick, Acting Director, Medicare Drug Benefit and C & D Data Group

SUBJECT: Updated Quality Assurance Checks for 2015 Data Submitted for Posting on the
           Medicare Plan Finder Tool

DATE: October 3, 2014

This memo provides a listing of targeted quality assurance (QA) checks that CMS will perform
on the CY2015 required pricing and pharmacy network files for posting on the Medicare Plan
Finder (MPF). Part D sponsors are expected to perform their own QA checks to ensure that
these files are complete and accurate as Medicare beneficiaries depend on the display of accurate
data to be posted on the MPF. This memo contains updated language including CMS'
expectations that MPF data submissions should be complete and accurate as well as the addition
of Invalid Plan ID and Invalid Segment ID QA checks.

All known exceptions that have been granted for the 2014 pricing and pharmacy data will be
removed for the 2015 QA analyses. If a Part D sponsor receives an outlier notification for their
2015 pricing and pharmacy data which was previously a known exception in 2014, that sponsor
must re-confirm that the data continue to be accurate. If Part D sponsors do not confirm these
data, sponsors may have their pricing data suppressed on the MPF.

CMS will continue to require Part D Sponsors to submit plan finder files during each regular
submission window. You will not be able to auto-certify your pharmacy cost file (PC), pricing
file (PF), or ceiling price file (CP) for the CY2015 MPF.

In an effort to support beneficiaries with making informed drug plan choices, the MPF will
incorporate brand and generic dispensing fees for 30, 60, or 90 day supplies where applicable in
CY2015.

Below are three attachments that outline these data checks. Attachment A describes the checks
that are performed on the required pricing and pharmacy files that are submitted. Attachment B
provides technical specifications for these checks where applicable. QA checks are monitored
throughout the year and will be updated as necessary. Attachment C contains a listing of data
errors that will result in suppression, if data are incorrect and/or cannot be validated.

The data checks discussed in this memo are not statements of the levels of permissible error for
Part D program compliance purposes. The data checks are a tool CMS uses to identify prior to
display on the MPF potential inaccuracies among the submissions made every two weeks by

hundreds of Part D sponsors. The data checks do not necessarily identify inaccurate MPF files; rather, they prompt CMS to contact a sponsor for clarification of the accuracy of its submission. CMS suppresses a sponsor's MPF display when the sponsors cannot confirm the accuracy of its data or does not respond to CMS's inquiry.

MPF submissions must be complete and accurate in all respects, and sponsors are solely accountable for any errors in their MPF data, regardless of how they come to CMS's attention. Because of the critical role the MPF plays in providing beneficiaries with reliable information about their drug plan options, CMS will suppress the display of a sponsor's plan information as the result of any identified inaccuracy or failure to respond to a CMS inquiry about a data submission. Also, sponsors may be subject to Part D program compliance and enforcement actions as a result of MPF suppressions or inaccurate data submissions.

If you have questions regarding this memo, emails should be directed to PlanFinderQA@cms.hhs.gov.

Attachment A

1. Pharmacy Cost File (PC)
    a. Change in PC Network Size – Determine if the retail pharmacy network size had a 10% or greater change compared to the last submission. This check is conducted for all pharmacies and for in-area pharmacies.
    b. High Dispensing Fees – Evaluate if the file contains dispensing fees greater than $100.
    c. Invalid Pharmacy Number Format –
        i. Evaluate pharmacy numbers to ensure they are formatted correctly. The pharmacy number should be 12 digits (10 digit National Provider Identifier (NPI) with a leading one and zero).
        ii. Check to see if the PC contains National Council for Prescription Drug Programs (NCPDP) numbers.
    d. Inconsistent Duplicate PC Record – Check for duplicate price file IDs listed for one pharmacy in one plan. This check will also report duplicate PC records that have any different PC information (e.g., dispensing fee, preferred status, or mail/retail status) for a given plan and pharmacy.
    e. Missing Data File – Determine if a PC File has not been submitted.
    f. Missing PC Information – Verify that a plan has active pharmacies.
    g. No Mail Order Pharmacies in the PC File– Check if organization's uploaded Plan Benefit Package (PBP) indicates that there are mail order pharmacies when none are marked mail order in PC file.
    h. No Preferred Pharmacies (Retail) – Check if organization's uploaded PBP indicates that there are preferred retail pharmacies when none are marked preferred in PC file.
    i. Exclusion of Non-Preferred (Other) Network Pharmacies (Retail) - Check if a plan's network has preferred retail network pharmacies, then there must also be non-preferred (other) retail network pharmacies.
    j. Inclusion of Preferred Pharmacies (Retail) – Check if organization's uploaded PBP indicates that there are only other network retail pharmacies but PC file indicates preferred retail pharmacies.
    k. Pharmacies Marked As Neither Retail Nor Mail Order – Evaluate if a pharmacy is identified as neither retail nor a mail order pharmacy.
    l. Vaccine Administration Fee Outlier –
        i. Identify any vaccine administration fee field that is populated with a zero or is left blank.
    m. Mail Order pricing not indicated in PBP – Check if a plan indicates mail order pharmacies when uploaded PBP does not indicate so.
    n. Floor Price Amount – Check if the PC file contains a floor price that exceeds CMS' floor price threshold ($10). This threshold has been determined by analyzing the distribution of floor prices submitted. CMS will periodically review the threshold, and adjust as necessary.
    o. Floor Price/Dispensing Fee - Check if the PC file contains a floor price where the floor price is less than the dispensing fee.
    p. Invalid Plan ID – Check the PC files to see if data for invalid plan IDs has been submitted.
    q. Invalid Segment ID - Check the PC files to see if data for invalid segment IDs has been submitted.

2. Pricing File (PF)
   a. High Unit Cost – Identify National Drug Code (NDC) unit costs that are priced at 5 times greater than highest default price and 5 times greater than the median price for that NDC.
   b. Low Unit Cost – Identify NDC unit costs that are priced at 10 times less than lowest default price and 10 times less than the median price for that NDC.
   c. Missing Data File – Determine if a PF has not been submitted.
   d. No Active PF – Identify contracts that have only submitted non-active pricing file IDs.
   e. PC and PF Mismatch – Identify PF IDs that are expected but have not been submitted. The expected PF IDs are extrapolated from the PC file. If $0.000 is submitted for all drugs in a PF ID, that PF ID will be identified as not having been submitted.
   f. PF Unit Cost Discrepancy – Specify if the unit cost field is missing in the PF.
   g. Potential Brand Priced at Generic – Check products where the brand price is less than or equal to the generic price (the QA will flag contracts where this potential issue occurs with 20 or more NDCs).
   h. PF with duplicate NDC records (different unit costs) – Determine if the PF contains duplicate NDC records with different unit costs.

3. Ceiling Price File (CP)
   a. Ceiling Price - High/Low Quantity – Identify NDCs with ceiling quantities at least 5 times higher or lower than the median for the NDC.
   b. Ceiling Price - PF/CP Mismatch, Missing CP – Determine if the ceiling cost field in the PF indicates ceiling pricing is being used, however ceiling pricing was not submitted.
   c. Ceiling Price - PF/CP Mismatch, CP Submitted – Determine if the ceiling cost field in the PF indicates ceiling pricing is not being used, however ceiling pricing was submitted.
   d. Ceiling Price - Below Dispensing Fees – Identify ceiling prices that are lower than the maximum dispensing fee for the price ID.
   e. Ceiling Price - Below Floor Price – Identify ceiling prices are lower than the floor price for the respective pharmacies.

4. Pricing File (PF) and Formulary File (FF)
   a. PF/FF Mismatch – Determine if the PF is missing pricing for reference NDCs found in the last approved FF.

5. Pricing File (PF) and Excluded Drug File (EDF)
   a. PF/EDF Mismatch – Determine if the PF is missing pricing for NDCs identified in the submitted EDF.

Attachment B
Exception List for Part D Plan Compare Website Data Submission

1. Pharmacy Cost (PC) File
    a. High Dispensing Fees
       BRAND_DISPENSING_FEE_30>100 or BRAND_DISPENSING_FEE_60>100 or
       BRAND_DISPENSING_FEE_90>100 or GENERIC_DISPENSING_FEE_30>100 or
       GENERIC_DISPENSING_FEE_60>100 or GENERIC_DISPENSING_FEE_90>100
    b. Change in PC Network Size

    $$\left| \frac{P_2 - P_1}{P_1} \right| > 0.10$$

    where
    P_2 is the total number of in-area pharmacies in the current submission
    P_1 is the total number of in-area pharmacies in the prior submission

    c. Change in PC Network Size

    $$\left| \frac{P_2 - P_1}{P_1} \right| > 0.10$$

    where
    P_2 is the total number of pharmacies in the current submission
    P_1 is the total number of pharmacies in the prior submission

    d. Pharmacies Marked as Neither Retail Nor Mail Order
       PHARMACY_RETAIL = 0 AND PHARMACY_MAIL = 0
    e. Vaccine Administration Fee Outlier
       VACCINE_ADMINISTRATION_FEE = 0

2. Pricing File (PF)
    a. High Unit Cost
       • UNIT_COST>5*default_MAX and (UNIT_COST / UNIT_COST_MEDIAN >
         5)
    b. Low Unit Cost
       • UNIT_COST<1/10*default_MIN and (UNIT_COST / UNIT_COST_MEDIAN <
         1/10)

Attachment C
Suppressible Errors

File	Type of Error	Description
CP	Ceiling Price - Below Dispensing Fees	The CP file contains a ceiling price that is lower than the maximum dispensing fee for the price ID.
CP	Ceiling Price - Below Floor Price	The CP file contains a ceiling price that is lower than the floor price for the respective pharmacies.
CP	Ceiling Price - High/Low Quantity	The CP file contains one or more NDCs price at 5 times greater or lower than the median for the NDC.
CP	Ceiling Price - PF/CP Mismatch, CP Submitted	The ceiling cost field in the PF indicates ceiling pricing is not being used, however ceiling pricing was submitted.
PC	Change in PC network size	The PC file has had at least a 10% change in the PC network size.
PC	Exclusion of Non-Preferred (Other) Network Pharmacies (Retail)	The PC file does not contain non-preferred (other) network retail pharmacies. The organization's uploaded PBP indicates that there are preferred and non-preferred (other) network retail pharmacies.
PC	Floor Price Amount	The PC file contains a floor price that exceeds CMS' floor price threshold ($10). This threshold has been determined by analyzing the distribution of floor prices submitted. CMS will periodically review the threshold, and adjust as necessary.
PC	Floor Price/Dispensing Fee	The PC file contains a floor price where the floor price is less than the dispensing fee.
PC	High dispensing fees	The PC file contains dispensing fees greater than $100.
PF	High unit cost	The PF contains one or more NDCs priced at 5 times greater than the highest default price and 5 times more than the median for one or more price IDs.
PC	Inconsistent Duplicate PC Record	The PC file contains a pharmacy for a given plan submitted more than once with inconsistent information.
PC	Invalid Plan ID	PC File contains one or more invalid or non-required Plan IDs.
PC	Invalid Segment ID	PC File contains one or more invalid or non-required Segment IDs.
PF	Low unit cost	The PF contains one or more NDC(s) priced at 10 times less than lowest default price and 10 times less than the median for one or more price IDs.
PC & PF	Missing Data Files	The required PC or PF Plan Finder files were not submitted.
PC	Missing PC Information	The PC file is missing data for the plan(s) identified.
PF	No Active PF	The PF is missing data for price IDs found in the PC files.
PC	No Mail Order Pharmacies in the PC File	The PC file does not contain mail order pharmacies. The organization's uploaded PBP identifies that the plan will be offering mail order.
PC	No Preferred Pharmacies (Retail)	The PC file does not contain preferred retail pharmacies. The organization's uploaded PBP indicates that the plan has preferred retail pharmacies.
PC & PF	PC and PF mismatch	The PC file submitted contains PF IDs that have not been included in the submitted PF. Where $0.000 has been submitted for every drug in a PF ID, that PF ID will be considered as not having been submitted.
PF	Potential brand priced at generic	The PF contains Generic Sequence Numbers (GSNs) with brands priced at or below generic for one or more price IDs.
PC	Zero or Blank Vaccine Administration Fees	The PC file contains a vaccine administration fee outlier. The PC file's vaccine administration fee field is populated with a zero or is left blank. The Vaccine_Administration_Fee should be the same for each pharmacy within a given price ID.

PC = Pharmacy cost; PF = Pricing file;
CP=Ceiling Price