

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



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MEMORANDUM

DATE: October 24, 2006

Memorandum to: All Part D Sponsors (except Employer and PACE Plans)

From: Cynthia Tudor, Ph.D., Director, Medicare Drug Benefit Group

Subject: Formulary Drugs Missing Pricing Data on the Medicare Prescription Drug Plan Finder

CMS' quality assurance process of 2007 plan year pricing files for the Medicare Prescription Drug Plan Finder (MPDPF) has identified a new issue. Some Part D Sponsors have failed to include pricing data for a subset of their formulary drugs. This type of error results in the display of retail pricing for these formulary drugs, and therefore CMS will suppress the affected Sponsors' pricing data from display on the MPDPF.

In the document titled, *2007 Plan Year Data Requirements and Submission Guidelines for the Medicare Prescription Drug Plan Finder* on www.medicare.gov, Sponsors were notified to submit records with unit costs for the specific NDCs listed in the Reference NDC list (<http://www.cms.hhs.gov/PrescriptionDrugCovContra/Downloads/CY07ReferenceNDCFile.zip>) that matches the Sponsors' CMS approved formulary. It was noted that submission of NDCs that are not included in the Reference NDC list would result in incorrect pricing for that drug dose combination on the MPDPF. **Sponsors are reminded to perform QA of their data files, and testing of their pricing data displayed on MPDPF, to ensure accurate submission and display of pricing for the reference NDCs.**

We are currently investigating these findings, and will be working with the affected Part D Sponsors to resolve these issues in the next week.

We appreciate your continued cooperation in implementing the Medicare drug benefit. Questions regarding this information should be directed via email to vikki.oates@cms.hhs.gov and judith.geisler@cms.hhs.gov.