

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Medicare Drug & Health Plan Contract Administration Group
7500 Security Boulevard
Baltimore, Maryland 21244-1850



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MEMORANDUM

TO: All Part D Sponsors

FROM: Cynthia G. Tudor, Ph.D., Director, Medicare Drug Benefit and C & D Data Group

SUBJECT: Recoupment of Louisiana Sales Tax Paid on Part D Claims in 2010

DATE: April 11, 2011

On December 21, 2010, CMS instructed Part D Sponsors operating in Louisiana to immediately move forward with recouping any sales tax paid on 2010 Part D prescriptions in Louisiana and resubmitting corrected Prescription Data Events (PDEs) for these transactions. A recent letter to CMS raised the prospect that some sponsors' recoupment practices may not be consistent with Louisiana state law. We remind Part D Sponsors that it remains the sponsor's responsibility to correctly adjudicate claims in accordance with all applicable state laws.

CMS notes that the adjustment of PDEs for 2010 in no way affects or limits the rights of the Federal Government or any of its agencies or agents to pursue any appropriate criminal, civil, or administrative remedies relating to Louisiana sales tax.

If you have any questions concerning this memorandum, please contact your Account Manager.