

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
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**CENTER FOR MEDICARE  
MEDICARE PLAN PAYMENT GROUP**

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**DATE:** April 2, 2012  
**TO:** All Part D Plan Sponsors  
**FROM:** Cheri Rice, Director  
Medicare Plan Payment Group

**SUBJECT: Reopening of the 2006, 2007, and 2008 Part D Payment Reconciliations**

In the December 22, 2010 memorandum “Part D Payment Reconciliation Reopening for 2006 and 2007 and Closing the Drug Data Processing System (DDPS) Database Three Years following the end of Each Contract Year,” CMS announced that, pursuant to 42 C.F.R. § 423.346(a), CMS would be reopening the 2006 and 2007 Part D payment reconciliations. Other priorities, in particular the implementation of the coverage gap discount program, required us to move back the schedule for this work.

The December 22, 2010, memorandum noted that we were evaluating the reopening requests that had been submitted by several plan sponsors. During the course of this work, we also examined the audit findings or observations from the CMS Office of Financial Management and the Health and Human Services Office of Inspector General that impacted Prescription Drug Event (PDE) and/or Direct and Indirect Remuneration (DIR) data submissions, thus necessitating a reopening. Between the reopening requests and the responses to audits we have observed, over 150 million PDEs processed and several DIR data resubmissions post reconciliation for coverage years 2006-2008. Accordingly, CMS intends to conduct a global reopening of the 2006, 2007, and 2008 Part D Payment Reconciliations for all sponsors using these new data. We expect to implement the 2006 reopening in late May 2012. The reopening for the 2007 and 2008 reconciliations will be scheduled around the annual Part D payment reconciliation that will be conducted for the 2011 coverage year.

CMS will publish subsequent guidance regarding the reopening schedule and attestations required for the reopening. If CMS has questions about the reopening requests received or the Annual DIR reports, StrategicHealthSolutions (Strategic) will be in contact with the Part D sponsor.

Please send any questions or comments about this announcement to Strategic at [PartDPaymentReview@strategichs.com](mailto:PartDPaymentReview@strategichs.com).