

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



Medicare Plan Payment Group

Date: August 17, 2012

To: All Part D Plan Sponsors

From: Cheri Rice, Director
Medicare Plan Payment Group

Subject: 2011 Attestations of Prescription Drug Event Data (PDE), Direct and Indirect Remuneration (DIR) Data, and Monthly Plan-to-Plan (P2P) Reconciliation Payments

Each year Part D sponsors are required to certify their Part D cost data by submitting the Attestation of Data Relating to CMS Payment to a Medicare Part D Sponsor and the Attestation of Plan-to-Plan (P2P) Reconciliation Payment Data. This year the Centers for Medicare & Medicaid Services (CMS) will require the attestations to be signed electronically by the Chief Executive Officer (CEO), Chief Financial Officer (CFO), or Chief Operating Officer (COO). An electronically signed copy of **both** attestations is required to receive risk sharing and reinsurance payment adjustments resulting from the 2011 Part D payment reconciliation. Part D sponsors must also submit the Record of P2P Reconciliation Payments which summarizes P2P payments made to other Part D sponsors. The Record of P2P Reconciliation Payments will continue to be completed and submitted as a Microsoft Excel spreadsheet. The spreadsheet must be emailed to StrategicHealthSolutions, LLC (Strategic).

CMS is currently reviewing the Detailed 2011 DIR Reports and therefore will not be collecting the 2011 Attestation of Data Relating to the Detailed DIR Report at this time. Future guidance will be released notifying sponsors when the attestations will be available within HPMS.

The attestations will be available through the Health Plan Management System (HPMS) on August 17, 2012. An electronically signed copy of the Attestation of Data Relating to CMS Payment to a Medicare Part D Sponsor and the Attestation of P2P Reconciliation Payment Data must be completed in HPMS by **noon ET on Friday, September 14, 2012**. Attestations should not be mailed or faxed to StrategicHealthSolutions, LLC (Strategic). The Record of P2P Reconciliation Payments must be sent electronically (in the Microsoft Excel spreadsheet format in Attachment IV) to Strategic at PartDPaymentReview@Strategichs.com by noon ET on **Friday, September 14, 2012**. Please note that Strategic will not accept spreadsheets that are sent via secure messaging.

Please use the following verbiage in the subject line of the e-mail, “2011 P2P Reconciliation Payment Spreadsheet”.

A description of the attestations and the Record of P2P Reconciliation Payments is provided below. In addition, please see Attachment I for detailed instructions on completing these documents. Questions concerning these attestations should be directed to Strategic at PartDPaymentReview@Strategichs.com.

2011 Attestation of Data Relating to CMS Payment to a Medicare Part D Sponsor

Per 42 CFR 423.505(k)(3) and (5), Part D sponsors are required to certify the claims data and allowable costs they submit for purposes of risk corridor and reinsurance payment. In signing the Attestation of Data Relating to CMS Payment to a Medicare Part D Sponsor (see Attachment II for a sample of the attestation), Part D sponsors certify that PDE data, DIR data, and any other information provided for the purposes of determining allowable reinsurance and risk corridor costs for contract year 2011 are accurate, complete, and truthful. In addition, Part D sponsors acknowledge that this information will be used for purposes of obtaining federal reimbursement. Part D sponsors must attest that they have processed all retroactive adjustments received by May 30, 2012. In addition, Part D sponsors must certify that payments that have been made for Part D claims were made in accordance with the coordination of benefits guidance in Chapter 14 of the Medicare Prescription Drug Benefit Manual and other applicable CMS guidance. This would include payments made to long-term care pharmacies and beneficiaries as a result of retroactive changes in a beneficiary’s low-income subsidy (LIS) status.

2011 Record and Attestation of P2P Reconciliation Payments

Part D sponsors must submit the 2011 Record of P2P Reconciliation Payments (see Attachment IV) to reflect any P2P payments made for contract year 2011. In this Excel spreadsheet, Part D sponsors must indicate the contract ID paid (e.g. H1234), the amount owed for contract year 2011, the amount paid for contract year 2011, and any information regarding the sponsor’s ability to make complete, accurate, and timely P2P payments. Part D sponsors are required to submit a separate report for each of their contracts. The Excel spreadsheet **may not be** substituted or revised. In addition, the Excel spreadsheet must not contain embedded formulas and must not be sent via secure messaging.

When submitting the 2011 Record of P2P Reconciliation Payments, Part D sponsors must also sign the Attestation of P2P Reconciliation Payment Data via HPMS (see Attachment III for a sample of the attestation). By signing this attestation, the Part D sponsor certifies that, based on best knowledge, information, and belief, accurate and complete P2P reconciliation payments have been made by the Part D sponsor in accordance with the P2P Payable Report and the P2P Receivable Report. The Attestation of P2P Reconciliation Payment Data is available through HPMS. **Please note that the Record of P2P Reconciliation Payments is not available through HPMS.**

Attachments (5)

Attachment I: Instructions for Submitting Part D Attestations and Record of P2P Reconciliation Payments

Instructions for electronically signing the Attestation of Data Relating to CMS Payment to a Medicare Part D Sponsor (Due by September 14, 2012)

All Part D sponsors who offered an active Part D plan in 2011 **must** electronically sign the attestation through HPMS. This attestation will become available on August 17, 2012, and may be accessed on HPMS using the following navigation path: HPMS Homepage > Plan Bids > Part D Attestations > Contract Year 2011.

One attestation should be signed per parent organization per contract year. Therefore, Part D sponsors offering multiple contracts should submit one attestation for all contracts combined for the applicable contract year. Parent organization name is pre-populated by HPMS. For 2011 Part D Attestations, the Parent Organizations that were in effect for CY2011 will be referenced. Please note: the current Parent Organization name may differ from the historical Parent Organization name.

While CMS cannot change historical data, you may verify the current Parent Organization name by viewing the General Information Report. This report is located at the following path: HPMS Home Page > Contract Management > Contract Reports > 2012 > General Information Report > Select Contract Number. The current Parent Organization name is located towards the top of the report. If the Parent Organization name is incorrect, please contact Arianne Spaccarelli at Arianne.Spaccarelli@cms.hhs.gov. If the Parent Organization name is incorrect on the attestation, sponsors may submit an attachment to the attestation providing documentation of the correct Parent Organization name.

Please Note: This attestation **may not be substituted or revised**. The attestation must be signed in HPMS by the CEO, CFO, or COO. In the case that a Part D sponsor is aware of an error or potential error in the PDE records submitted to CMS for contract year 2011, has notified CMS of this error, and is working to rectify this error, the Part D sponsor may add an attachment to this attestation which describes the error, the magnitude of the error, and timeline and expectations for resolving this problem. The Part D sponsor must also indicate that CMS has received prior notification of the identified or potential error.

1. Access the PDE/DIR Attestation in HPMS using the following navigation path: HPMS Homepage > Plan Bids > Part D Attestations > Contract Year 2011 > Submit PDE/DIR Attestation.
2. Select Parent Organization
 - a. If your parent organization is not listed, please contact the HPMS Access team at HPMS_Access@cms.hhs.gov.
3. Select all applicable contracts under your parent organization.
 - a. If any of the contracts offered by your organization in 2011 are not listed, please contact the HPMS Access team at HPMS_Access@cms.hhs.gov

4. Review the following:
 - a. Contract Numbers Listed
 - b. Organization Name
 - c. Date(s) of Last Successful 2011 DIR Data Submission
5. If you have any attachments to the attestation, save the attachments in a zip file.
 - a. An attachment should **be uploaded *only* if either of the following situations described below apply (if the two situations described below do not apply, the Part D sponsor should not upload an attachment)**:
 - i. The Parent Organization name is incorrect; or
 - ii. The Part D sponsor is aware of an error or potential error in the PDE records submitted to CMS for contract year 2011, has notified CMS of this error, and is working to rectify this error.

If the parent organization name is incorrect and cannot be corrected in HPMS, an attachment should be uploaded indicating the correct parent organization name and providing legal documentation of the corrected name. As described above, if the Part D sponsor is aware of an error in the 2011 PDE records, an attachment should be uploaded which describes the error, the magnitude of the error, and expectations for resolving this problem. The attachment should also indicate that CMS has received prior notification of the identified or potential error.

6. The signer must enter their title.
7. The CEO, CFO, or COO must electronically sign the attestation. By selecting the “Submit” button, the attestation is signed electronically.
8. Review the uploaded attestation and attachments, if applicable, using the PDE/DIR Attestation History Report in HPMS.

Instructions for electronically signing the Attestation of P2P Reconciliation Payment Data (Due by September 14, 2012)

All Part D sponsors who offered an active Part D plan in 2011 **must** complete and submit the attestation through HPMS. This attestation will become available on August 17, 2012, and may be accessed on HPMS using the following navigation path: HPMS Homepage > Plan Bids > Part D Attestations > Contract Year 2011.

One attestation should be submitted per parent organization per contract year. Therefore, Part D sponsors offering multiple contracts should submit one attestation for all contracts combined for each applicable contract year. Parent organization name is pre-populated by HPMS. Please check in HPMS to ensure that the Parent Organization name is correct. Please follow the instructions listed above in the Instructions for electronically signing the Attestation of Data Relating to CMS Payment to a Medicare Part D Sponsor section if the Parent Organization name is incorrect.

Please note: This attestation **may not be substituted or revised**. The attestation must be electronically signed through HPMS.

1. Access the P2P Attestation on HPMS using the following navigation path: HPMS Homepage > Plan Bids > Part D Attestations > Contract Year 2011 > Submit P2P Attestation.
2. Select Parent Organization
 - a. If your parent organization is not listed, please contact the HPMS Access team at HPMS_Access@cms.hhs.gov.
3. Select all applicable contracts under your parent organization.
 - a. If any of the contracts offered by your organization in 2011 are not listed, please contact the HPMS Access team at HPMS_Access@cms.hhs.gov
4. Enter the Submission Date of P2P Worksheet
 - a. Indicate the date that the Part D sponsor submitted the most recent Record of P2P Reconciliation Payments to CMS for the applicable contract year.
5. Review the following:
 - a. Contract Numbers Listed
 - b. Organization Name
6. The signer must enter their title.
7. The CEO, CFO, or COO must electronically sign the attestation. By selecting the “Submit” button, the attestation is signed electronically.
8. Review the uploaded attestation using the P2P Attestation History Report in HPMS.

Instructions for Submitting Attachment IV: Record of Plan-to-Plan Reconciliation Payments (Due by September 14, 2012)

All Part D sponsors who offered an active Part D plan in 2011 **must** complete and submit this report electronically to Strategic at PartDPaymentReview@Strategichs.com using the Excel spreadsheet format in Attachment IV. In addition to the instructions provided below, please refer to the sample reports provided in Attachment V: Sample 2011 Record of P2P Reconciliation Payments.

1. “Contract Number” Field- Identify the CMS Contract Number of the contract the sponsor is certifying for the applicable contract year. Part D sponsors are required to submit a separate report, using a separate worksheet for each of their applicable contracts. If multiple contracts are combined on one worksheet, the spreadsheet will be returned for correction.
2. “Contract Year” Field – Indicate the contract year for which the sponsor is certifying.
3. “Payments as of Date” Field – Indicate the date of the last P2P payments made or the date through which P2P payments have been made for the applicable contract year. If all payments were made for the contract year, the current date is acceptable for this field.
4. “Contract ID Paid” Column – Indicate the CMS contract number that the Part D sponsor’s contract **paid**. Each line represents the **total** P2P payments made by the Part D sponsor’s contract to the other contract for the applicable contract year. There must be only one row for each contract paid. If one contract repeats over several rows, showing

monthly payments, not the total P2P payments, the spreadsheet will be returned for correction.

5. “Annual Amount Owed” Column – Indicate the **sum** of the **total** amount found on Report 41, the P2P Receivable Report (for negative amounts only), and the total amount found on Report 43, the P2P Payable Report (for positive amounts only), which is owed to the contract indicated in the “Contract ID Paid” column. Negative amounts on Report 41, at the contract level, are amounts owed to the other contract and thus, are the amounts to be reported on the P2P Payments spreadsheet. Field 13 on the Contract of Record trailer in Report 41 shows the contract level total. If field 13 on the Contract of Record trailer is negative, the amount is a payable, not a receivable. Positive amounts found in field 13 on the Submitting Contract trailer on Report 43 are payables to the other contract. Negative amounts found in field 13 on the Submitting Contract trailer on Report 43 should not be reported. Negative amounts found on Report 43, at the contract level, are receivables. Only document payables owed to the other contracts. Amounts owed should come from Report 41 and Report 43 only.

To determine the **Annual Amount Owed**, take the negative amounts from Report 41, at the contract level, and consider them positive since they are positive amounts that the Part D sponsor’s contract should have paid to the other contract. Add these values to the positive P2P amounts from Report 43. For example, if the contract has -\$50.00 on Report 41 (field 13 on the Contract of Record trailer) and a total of \$500.00 on Report 43 (field 13 on the Submitting Contract trailer), the Part D sponsor would report a total of \$550.00 (\$50.00 + \$500.00) in the Annual Amount Owed column. If the contract erroneously reduces the total amount from Report 43 by the negative amount found on Report 41, the line on the spreadsheet will be reviewed as a payment discrepancy. In this example, if the contract reports \$450 instead of \$550, the contract has failed to account for \$100 in payables to the other contract.

6. “Amount Paid” Column – Report the total amount that was **actually paid** to the contract indicated in the “Contract ID Paid” column for the applicable contract year. If all P2P payments were made as instructed in the P2P guidance, the amount reported in the “Annual Amount Owed” column will be equal to the amount reported in the “Amount Paid” column. If the columns are not equal, an explanation is **required** in the “NOTES” column.

7. “Report 43 Month & Year” Column – Indicate the month(s) and year(s) of the P2P Reports - Reports 43 which were used to make P2P payments to the contract indicated in the “Contract ID Paid” column for the applicable contract year. Although only one contract is listed per row, there may be multiple monthly P2P reports showing the amounts owed to that one contract. This cell must list the month and year for **each** Report 43 that was used to make P2P payments. This column must be populated with the ‘as of year’ (field 6) and ‘as of month’ (field 7) which are found on the contract header of Report 43. The ‘as of year’ and the ‘as of month’ on the reports indicate the processing month (month in which the PDE was processed at CMS) and year. Note that the processing month is different from the month in which the reports are received. If this

column is populated with the months in which the reports are received, this error is considered a reporting discrepancy. The Report 43 month and year must be listed in this column if actual payments were made from the report. If the Part D sponsor neglected to make a payment from a Report 43, omit this report from the column and list the report as well as the month and year of the report within the explanation listed in the “NOTES” column. If there are consecutive months of P2P activity with the contract, list the P2P reports as such: October 2011 – December 2011.

Do not report the following in this field:

- The month and year in which the reports were released;
- The month and year in which you accessed the report;
- The file ID; or
- Financial amounts.

Errors found in this column will be returned for correction.

8. “Report 41 Month & Year” Column – Indicate the month(s) and year(s) of the P2P Reports- Reports 41 which were used to make P2P payments to the contract indicated in the “Contract ID Paid” column for the applicable contract year. Although only one contract is listed per row, there may be multiple reports showing the amounts owed to that one contract. This cell must be populated with the ‘as of year’ (field 6) and ‘as of month’ (field 7) which are found on the Submitting Contract header of Report 41. The Report 41 month and year must be listed in this column if actual payments were made from the report. The ‘as of year’ and the ‘as of month’ on the reports indicate the processing month (month in which the PDE was processed at CMS) and year. Note that the processing month is different from the month in which the reports are received. If this column is populated with the months in which the reports are received, this error is considered a reporting discrepancy. If the Part D sponsor neglected to make a payment from a Report 41, omit this report from the column and list the report as well as the month and year of the report within the explanation listed in the “NOTES” column. If there are consecutive months of P2P activity with the contract, list the P2P reports as such: October 2011 – December 2011.

Do not report the following in this field:

- The month and year in which the reports were released;
- The month and year in which you accessed the report;
- The file ID; or
- Financial amounts

Errors found in this column will be returned for correction.

9. “NOTES” Column - Any comments or further information regarding the Part D sponsor’s ability to make complete, accurate, and timely payments based on the P2P Payable Report and P2P Receivable Report should be documented in the “NOTES” column. If the Part D sponsor neglected to make a payment from one of the P2P reports, this unpaid P2P amount **must** be indicated in the “NOTES” Column. In addition, the Part D sponsor must list the report, month, and year for the unpaid P2P amount. If you are listing a report in the NOTES column, you are required to provide an explanation as

to why the payment was not made. The “NOTES” column must provide enough information for CMS to understand the payment discrepancy. Any additional information regarding discrepancies between the “Annual Amount Owed” and “Amount Paid” columns may also be provided in this column. If there is P2P activity between two contracts within your parent organization and your organization does not make P2P payments within the organization, explain the arrangement within the “NOTES” column.

If your notes do not clearly explain your situation, you will be required to provide additional information. The spreadsheet will be considered incomplete until Strategic receives an updated spreadsheet with the additional information. In addition, if your notes indicate you anticipate making a payment, you will have to provide an updated spreadsheet after payment has been made.

**ATTACHMENT II: ATTESTATION OF DATA RELATING TO CMS PAYMENT
TO A MEDICARE PART D SPONSOR- CY 2011**

(Submit by September 14, 2012)

(NOTE: The attachment is provided to show the content of the attestation only. The attestation must be signed electronically via HPMS.)

Contract Number	Contract Name	Date of Last Successful DIR 2011 Data Submission

Pursuant to the contract(s) between the Centers for Medicare & Medicaid Services (CMS) and the Medicare Part D Organization(s) listed above, hereafter referred to as the Part D Organization, governing the operation of the contract numbers listed above, the Part D Organization hereby makes the following attestations concerning CMS payments to the Part D Organization:

The Part D Organization attests that based on its best knowledge, information, and belief, the final Prescription Drug Event (PDE) data that have been submitted to and accepted by CMS as of June 29, 2012 with respect to the Part D plans offered under the above-stated contract(s) for the dates of service of January 1, 2011 to December 31, 2011, are accurate, complete, and truthful and reflect all retroactive adjustments of which the Part D organization has been informed by May 30, 2012. In addition, the Part D Organization attests that based on best knowledge, information, and belief, the payments that have been made by the Part D organization for the claims summarized by the aforementioned PDE data were made in accordance with the coordination of benefits guidance in Chapter 14 of the Medicare Prescription Drug Benefit Manual and other applicable CMS guidance.

The Part D Organization attests that based on its best knowledge, information, and belief as of the date(s) of last successful DIR 2011 data submission(s) via the Health Plan Management System (HPMS) as listed above, the final direct and indirect remuneration data submitted to CMS for the Part D plans offered under the above-stated contract(s) for the 2011 coverage year are accurate, complete, and truthful and fully conform to the requirements in the Medicare Part D program regulations and the Final Medicare Part D DIR Reporting Requirements for 2011. The Part D Organization also certifies that based on its best knowledge, information, and belief as of the date indicated below, all other required information provided to CMS to support the determination of allowable reinsurance and risk corridor costs for the Part D plans offered under the above-stated contract(s) is accurate, complete, and truthful.

With regards to the information described in the above paragraphs, the Part D Organization attests that it has required all entities, contractors, or subcontractors, which

have generated or submitted said information (PDE and DIR data) on the Part D Organization's behalf, to certify that this information is accurate, complete, and truthful based on its best knowledge, information, and belief. In addition, the Part D Organization attests that it will maintain records and documentation supporting said information. The Part D Organization acknowledges that the information described in the above paragraphs will be used for the purposes of obtaining federal reimbursement and that misrepresentations or omissions in information provided to CMS may result in Federal civil action and/or criminal prosecution.

Signature (e-sign)

Printed Name

Title

Organization Name

Date

**ATTACHMENT III: ATTESTATION OF PLAN-TO-PLAN RECONCILIATION
PAYMENT DATA – CY 2011**
(Submit by September 14, 2012)

(NOTE: The attachment is provided to show the content of the attestation. The attestation must be signed electronically via HPMS.)

Contract Number	Contract Name

Pursuant to the contract(s) between the Centers for Medicare & Medicaid Services (CMS) and the Medicare Part D Organization(s) listed above, hereafter referred to as the Part D Organization, governing the operation of the following contract numbers listed above, the Part D Organization hereby makes the following attestations concerning CMS payments to the Part D Organization.

The Part D Organization attests that in accordance with 1860D-24(a) of the Act which requires Part D sponsors to perform coordination of benefits activities with other providers of prescription drug coverage and 42 CFR 423.464(a) which requires Part D sponsors to comply with all administration processes established by CMS to ensure effective coordination between plans, it has made accurate and complete plan-to-plan (P2P) reconciliation payments to other Part D sponsors for contract year 2011, based on best knowledge, information and belief, as directed by the P2P Payable Report and the P2P Receivable Report. In addition, the Part D Organization attests that based on best knowledge, information, and belief as of (SUBMISSION DATE OF P2P WORKSHEET), the P2P reconciliation payment data that is reported to CMS in the 2011 Record of P2P Reconciliation Payments with respect to the Part D plans offered under the above-stated contract(s) for the dates of service of January 1, 2011 to December 31, 2011 is accurate, complete, and truthful.

Signature (e-sign)

Printed Name

Title

Organization Name

Date

ATTACHMENT V: SAMPLE 2011 RECORD OF PLAN-TO-PLAN RECONCILIATION PAYMENTS

Scenario- H0003’s P2P Payable Report and P2P Receivable Report for contract year 2011 are as follows:

Contracts Owed	Reports 43 (As of Month, As of Year)		Contracts Owed	Reports 41 (As of Month, As of Year)
H0001	October 2011: \$200 November 2011: \$300		H0001	December 2011: -\$500
H0002	January 2012: \$250 February 2012: \$450 March 2012: \$300		H0002	April 2012: -\$300
H0004	January 2012: \$400		H0004	

H0003’s completed 2011 Record of Plan-to-Plan Reconciliation Payments should look like this:

RECORD OF PLAN-TO-PLAN RECONCILIATION PAYMENTS					
Contract Number: H0003					
Contract Year: 2011					
Payments as of Date: 8/26/2012					
CONTRACT ID PAID	ANNUAL AMOUNT OWED	AMOUNT PAID	REPORT 43 MONTH & YEAR	REPORT 41 MONTH & YEAR	NOTES
H0001	\$1,000	\$1,000	October 2011, November 2011	December 2011	
H0002	\$1,300	\$1,300	January 2012-March 2012	April 2012	
H0004	\$400	\$0.00			Unable to get in touch with P2P contact. CMS Account manager aware of issue. Attempting to find updated contact for this Contract. \$400 was found on Report 43 for January 2011. Will update attestation and spreadsheet once payment is made.

H0003's completed 2011 Record of Plan-to-Plan Reconciliation Payments should **not** look like this:

RECORD OF PLAN-TO-PLAN RECONCILIATION PAYMENTS					
Contract Number: H0003 Contract Year: 2010 Payments as of Date: 8/26/2012					
CONTRACT ID PAID	ANNUAL AMOUNT OWED	AMOUNT PAID	REPORT 43 MONTH & YEAR	REPORT 41 MONTH & YEAR	NOTES
H0001	\$1,000	\$1,000			Payment made to H0001 at the request of that Part D Sponsor.
H0002	\$1,300	\$1,300	January 2012-March 2012, April 2012		Will send out April 2012 payment within the next 30 days.
H0004	\$400	\$0.00	January 2012		Amt Netted by plan on 3/10/11 AR PMT – Balance -0-

Explanation of errors:

Contract Year should be 2011, not 2010

H0001: Payments should not be made to another contract based upon the contract's request. Payments must be made based upon the monthly P2P reports (Reports 43 and 41). The Contract must list the reports that were used to determine the amount due to the other contract.

H0002: The April 2012 Report 41 is listed under the column for "Report 43 Month & Year". The April 2012 Report 41 should be removed from the "Report 43 Month & Year" column. The April 2012 Report 41 should not be listed in the column for "Report 41 Month & Year" since the sponsor did not make this payment. The notes column indicates that the April 2012 payment was not made; therefore, the amount paid column should show \$1,000.00. The sponsor must send an updated attestation and spreadsheet once the payment is actually sent to the other organization. On the updated spreadsheet, the amount paid column will indicate that \$1,300 was paid and the Report 41 month & year column will be populated with April 2012.

H0004: The "Report 43 Month & Year" column should not list any reports. Only list reports showing amounts actually paid by the contract. If a payment was not made, do not list the P2P report. The information provided in the NOTES column violates CMS P2P guidance. CMS guidance instructs sponsors to pay the P2P amounts in full. Netting is not allowed within the P2P payment process. Netting is the practice of adjusting the amount owed to the other contract by an amount that the other contract owes your contract.