

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

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**DATE:** May 9, 2024  
**TO:** All Part D Plan Sponsors  
**FROM:** Jennifer R. Shapiro, Director, Medicare Plan Payment Group  
**SUBJECT:** Guidance for the Part D Payment Reconciliation Reopening for Calendar Year 2019 and Future Years

Pursuant to 42 C.F.R. 423.346, the Centers for Medicare & Medicaid Services (CMS) will reopen the 2019 Part D payment reconciliation with Part D sponsors in early 2025. This will be a program-wide reopening for benefit year 2019 but will not include any contract that has terminated and received a final settlement from CMS.<sup>1</sup> The reopening will include all accepted data as follows:

- Prescription Drug Event (PDE) data submitted and accepted for CY 2019 through 1:00 PM ET on September 30, 2024. Note that CMS will continue to accept PDE data after the September 30 deadline; however, this data will not be considered in the 2019 reopening.
- Outstanding changes to the 2019 direct and indirect remuneration (DIR) data since the 2019 Part D payment reconciliation that have been submitted in the Health Plan Management System (HPMS) by July 31, 2024.

CMS will open the gates in HPMS for the resubmission of the 2019 DIR Reports for Payment Reconciliation from July 1, 2024 to July 31, 2024. PDE data must be received by the September 30, 2024 deadline, and DIR data must be received by the July 31, 2024 deadline, to be considered in the 2019 reopening.

CMS will apply the reconciliation exclusion process for the 2019 reopening and will issue Part D Exclusion from Reconciliation Reports (Exclusion Reports) when releasing the Part D payment reconciliation reports for the reopening. Prior to the Exclusion Report, the Part D Potential Exclusion Warning Reports (Warning Reports) will be distributed on May 15, 2024, and will include PDE data for benefit year 2019 as of March 31, 2024. Part D sponsors will receive another Warning Report for benefit year 2019 on August 15, 2024, and the report will include benefit year 2019 data as of June 30, 2024. For more information, see the HPMS memoranda,

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<sup>1</sup> See Contract Year 2016 Policy and Technical Changes to the Medicare Advantage and the Medicare Prescription Drug Benefit Programs, [80 Fed. Reg. 7911, 7936 \(February 12, 2015\)](#)

“Reconciliation PDE Exclusion Process,” issued January 6, 2014 (available [here](#)), and “Updates to the Part D Potential Exclusion Warning Report and Exclusion Report,” issued December 20, 2019 (available [here](#)).

If CMS has questions about the reopening requests received or the 2019 Summary DIR reports, our Payment Support Contractor will be in contact with the Part D sponsor. All Part D sponsors that submitted a reopening request are expected to submit any updates to PDE and/or DIR data by the deadlines noted in this memorandum. Note that DIR data must be uploaded into HPMS by following the directions in the HPMS memoranda, “Final Medicare Part D DIR Reporting Guidance for 2023,” issued March 14, 2024 (available [here](#)). CMS cannot accept DIR data via email. Questions regarding reopening requests may be emailed to the Payment Support Contractor at [PartDPaymentSupport@acumenllc.com](mailto:PartDPaymentSupport@acumenllc.com).

### *Future Reopenings*

As described in our final rule published April 23, 2024<sup>2</sup>, CMS modified the reopening timeframe at § 423.346(a)(2) such that, upon an establishment of good cause, CMS may reopen and revise an initial or reconsidered final payment determination within 6 years after the date of the notice of reconciliation determination to Part D sponsors. CMS modified the timeframe from “within 4 years” to “within 6 years” to align the timing of the scheduled global reopening to the 6-year overpayment look-back period, described at § 423.360(f). For additional details, please refer to the final rule published April 23, 2024.<sup>3</sup>

Given the regulatory change to the reopening timeframe, beginning with contract year 2020, CMS will announce its intention to perform the scheduled global reopening for a contract year within 6 years from the notification of the initial reconciliation results for that contract year. As such, CMS plans to announce the global reopening of contract year 2020 in or around the first quarter of 2027. The HPMS memorandum announcing the 2020 global reopening will provide the specific due dates for PDE data and DIR data, which will likely be mid-2027. The completion of the 2020 global reopening and associated payment adjustments will likely occur the end of 2027 or the beginning of 2028.

Questions regarding the information in this guidance may be emailed to the Payment Support Contractor at [PartDPaymentSupport@acumenllc.com](mailto:PartDPaymentSupport@acumenllc.com).

Thank you.

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<sup>2</sup> Medicare Program; Changes to the Medicare Advantage and the Medicare Prescription Drug Benefit Program for Contract Year 2024—Remaining Provisions and Contract Year 2025 Policy and Technical Changes to the Medicare Advantage Program, Medicare Prescription Drug Benefit Program, Medicare Cost Plan Program, and Programs of All-Inclusive Care for the Elderly (PACE), [89 Fed. Reg. 30448 \(April 23, 2023\)](#)

<sup>3</sup> *See id.* at 30461- 30462.