

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



**CENTER FOR MEDICARE**

---

**DATE:** April 29, 2021  
**TO:** All Part D Plan Sponsors  
**FROM:** Rebecca R. Paul, Deputy Director, Medicare Plan Payment Group  
**SUBJECT:** Guidance for the Part D Payment Reconciliation Reopening for Calendar Year 2016

Pursuant to 42 C.F.R. 423.346, the Centers for Medicare & Medicaid Services (CMS) will reopen the 2016 Part D payment reconciliation with Part D sponsors in early 2022. This will be a program-wide reopening for benefit year 2016 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 2016 through 1:00 PM ET on September 30, 2021. Note that CMS will continue to accept PDE data after the September 30 deadline; however, this data will not be considered in the 2016 reopening.
- Outstanding changes to the 2016 direct and indirect remuneration (DIR) data since the 2016 Part D payment reconciliation that have been submitted in the Health Plan Management System (HPMS) by July 31, 2021.

CMS will open the gates in HPMS for the resubmission of the 2016 DIR Reports for Payment Reconciliation from July 1, 2021 to July 31, 2021. **PDE data must be received by the September 30, 2021 deadline, and DIR data must be received by the July 31, 2021 deadline to be considered in the 2016 reopening.**

CMS will apply the reconciliation exclusion process for the 2016 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 in May 2021 and will include PDE data for benefit year 2016 as of March 31, 2021. Part D sponsors will receive another Warning Report for benefit year 2016 in August 2021, and the report will include benefit year 2016 data as of June 30, 2021. For more information, see the HPMS memoranda,

---

<sup>1</sup> See the preamble to our final rule, "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, and “Updates to the Part D Potential Exclusion Warning Report and Exclusion Report,” issued December 20, 2019.

If CMS has questions about the reopening requests received or the 2016 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 must be uploaded into HPMS by following the directions in the HPMS memoranda, “Final Medicare Part D DIR Reporting Guidance for 2020,” April 28, 2021. 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).

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.