Part D Coverage Gap Discount Program (CGDP) Manufacturer Webinar - December 2016

Diane Lapin
CMS, Division of Payment Reconciliation

Agenda

- Electronic Signature Capability
- Portal Electronic Funds Transfer (EFT) Identifier Placement Enhancement
- Helpful Tips – Review of Lessons Learned
- Analysis of CMS Coverage Gap Discount Program (CGDP) Data
- Q&A

Electronic Signature Capability

Lytarsha Jiles, Business Analyst
Palmetto GBA
Medicare Part D, CGDP TPA

Challenges of the Old Process

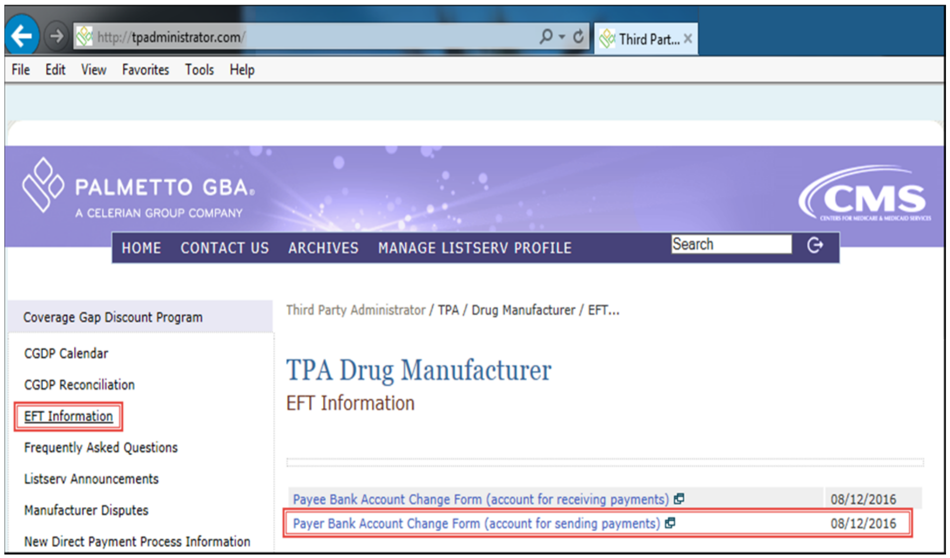
– 7-10 day turn around on hardcopy forms
– Frequent need for quick turnaround of time sensitive documentation
– Risk of misdirected mail
– More difficult to track the progress of submitted documents
– Was the only way of submitting bank change forms
– Paperwork delays sometimes resulted in not being able to make payments on time

Features of e-Signature

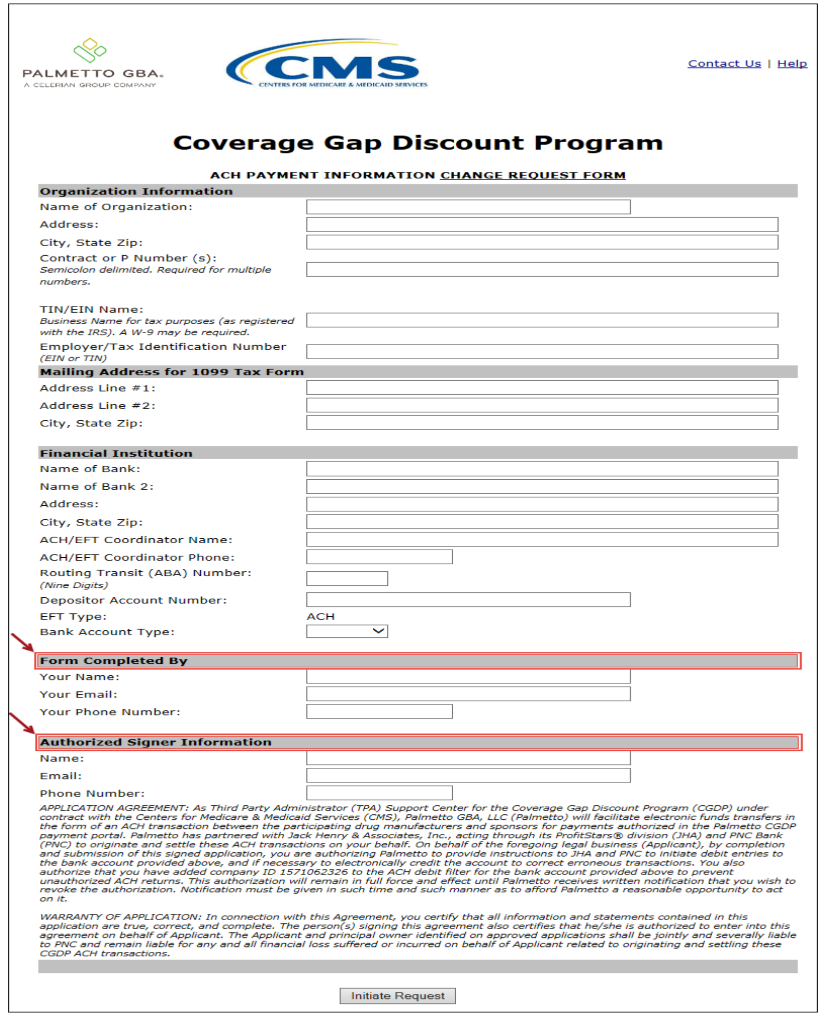
- Forms and documents can be signed and delivered in a matter of seconds
- Reduces the risk of delays when last minute bank account changes are necessary
- Easy to use web interface
- No software for users to install

e-Signature Form Location

- The new form is located on the TPA website – just like the previous forms



- The form has been revised so that one person can complete the form and send to another person to sign



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CENTERS FOR MEDICARE & MEDICAID SERVICES
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Coverage Gap Discount Program

ACH PAYMENT INFORMATION CHANGE REQUEST FORM

Organization Information

Name of Organization:
Address:
City, State Zip:
Contract or P Number (s):
Semicolon delimited. Required for multiple numbers.
TIN/EIN Name:
Business Name for tax purposes (as registered with the IRS). A W-9 may be required.
Employer/Tax Identification Number
(EIN or TIN)

Mailing Address for 1099 Tax Form

Address Line #1:
Address Line #2:
City, State Zip:

Financial Institution

Name of Bank:
Name of Bank 2:
Address:
City, State Zip:
ACH/EFT Coordinator Name:
ACH/EFT Coordinator Phone:
Routing Transit (ABA) Number:
(Nine Digits)
Depositor Account Number:
EFT Type: ACH
Bank Account Type:

Form Completed By

Your Name:
Your Email:
Your Phone Number:

Authorized Signer Information

Name:
Email:
Phone Number:

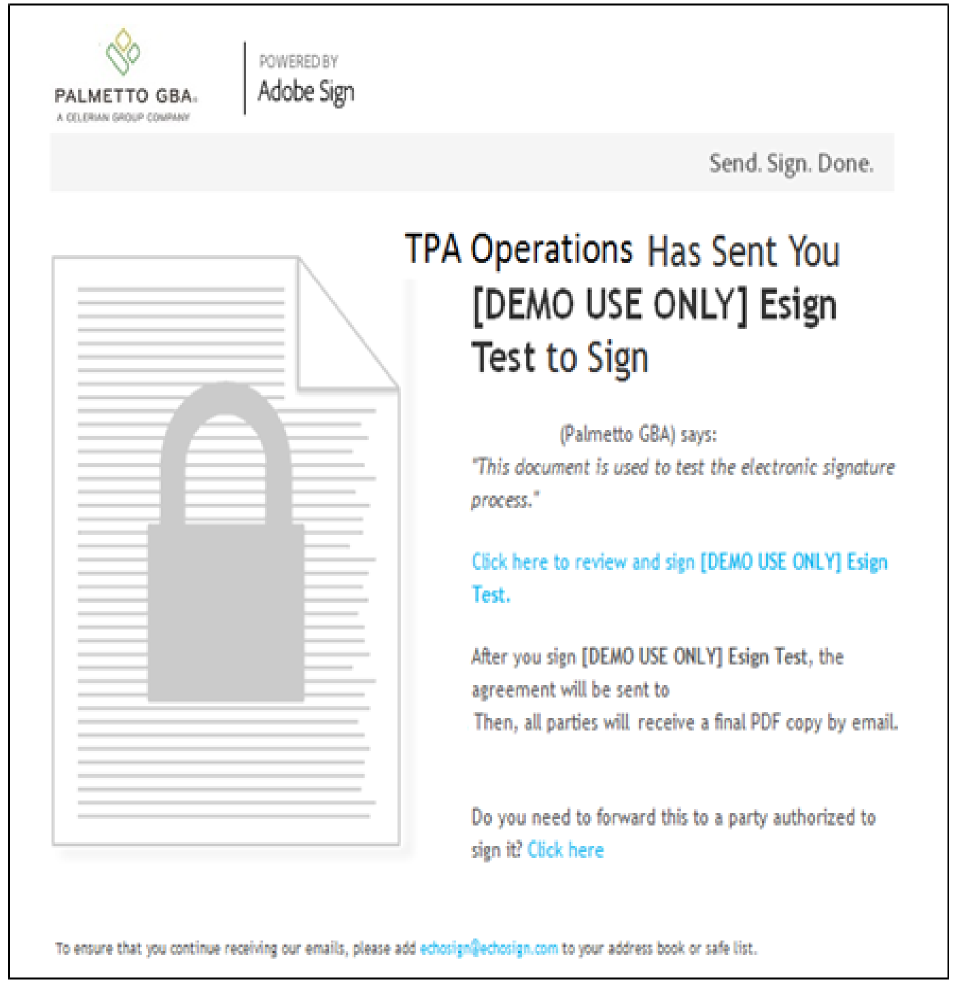
APPLICATION AGREEMENT: As Third Party Administrator (TPA) Support Center for the Coverage Gap Discount Program (CGDP) under contract with the Centers for Medicare & Medicaid Services (CMS), Palmetto GBA, LLC (Palmetto) will facilitate electronic funds transfers in the form of an ACH transaction between the participating drug manufacturers and sponsors for payments authorized in the Palmetto CGDP payment portal. Palmetto has partnered with Jack Henry & Associates, Inc., acting through its ProfitStars® division (JHA) and PNC Bank (PNC) to originate and settle these ACH transactions on your behalf. On behalf of the foregoing legal business (Applicant), by completion and submission of this signed application, you are authorizing Palmetto to provide instructions to JHA and PNC to initiate debit entries to the bank account provided above, and if necessary to electronically credit the account to correct erroneous transactions. You also authorize that you have added company ID 1571062326 to the ACH debit filter for the bank account provided above to prevent unauthorized ACH returns. This authorization will remain in full force and effect until Palmetto receives written notification that you wish to revoke the authorization. Notification must be given in such time and such manner as to afford Palmetto a reasonable opportunity to act on it.

WARRANTY OF APPLICATION: In connection with this Agreement, you certify that all information and statements contained in this application are true, correct, and complete. The person(s) signing this agreement also certifies that he/she is authorized to enter into this agreement on behalf of Applicant. The Applicant and principal owner identified on approved applications shall be jointly and severally liable to PNC and remain liable for any and all financial loss suffered or incurred on behalf of Applicant related to originating and settling these CGDP ACH transactions.

Initiate Request

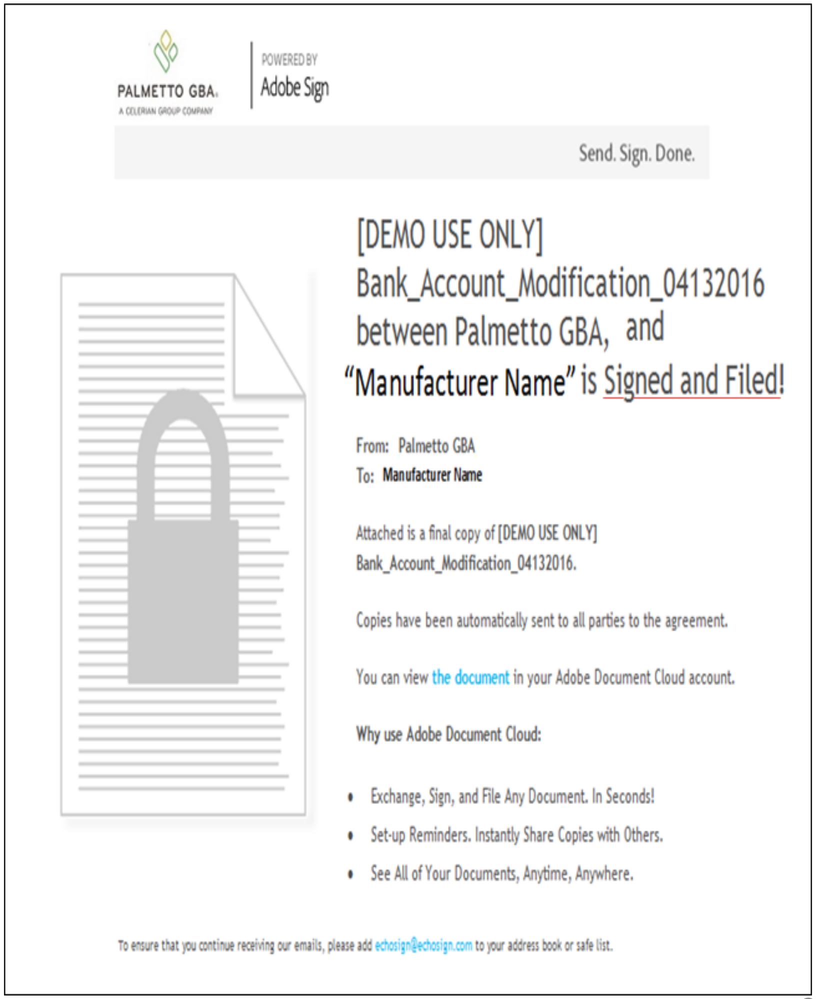
e-Signature
Signature Request

- If the form is forwarded to someone to sign, they will receive this email notification



e-Signature Final Notification

- Once the document has been signed and verified by the TPA, the signer would then receive this final notification
- If there is a correction needed, the TPA can simply void this form and instruct the user to submit a corrected form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POWERED BY
Adobe Sign

Send. Sign. Done.

[DEMO USE ONLY] Bank_Account_Modification_04132016 between Palmetto GBA, and "Manufacturer Name" is Signed and Filed!

From: Palmetto GBA
To: **Manufacturer Name**

Attached is a final copy of [DEMO USE ONLY] Bank_Account_Modification_04132016.

Copies have been automatically sent to all parties to the agreement.

You can view the document in your Adobe Document Cloud account.

Why use Adobe Document Cloud:

- Exchange, Sign, and File Any Document. In Seconds!
- Set-up Reminders. Instantly Share Copies with Others.
- See All of Your Documents, Anytime, Anywhere.

To ensure that you continue receiving our emails, please add echosign@echosign.com to your address book or safe list.

CGDP Portal Electronic Funds Transfer (EFT) Identifier Placement Enhancement

Diane Kreitz, Technical Lead
Palmetto GBA
Medicare Part D, CGDP TPA

Upcoming Portal Enhancement

- **EFT Identifier Placement Enhancement**
  - Electronic Funds Transfer (EFT) Identifier is unique for every invoice line item
  - Currently appears in the Description field of each transaction sent to banks
  - It will move to the Addenda record of a CCD+ formatted transaction
    - In accordance with National Automated Clearing House Association (NACHA) guidelines for corporate Credits and Debits

Upcoming Portal Enhancement (continued)

- **<u>Timing of this Enhancement</u>**

  - Change expected to be implemented some time in January 2017

- **<u>Impact</u>**

  - No visible difference in the CGDP Portal

  - Bank statements will look different

  - May effect companies performing internal reconciliation with invoices

    - Check with your bank to assure that Addenda record of a CCD+ transaction appears on statements

Helpful Tips for Manufacturers

Arthur Spaziano, Manager
Palmetto GBA
Medicare Part D, CGDP TPA

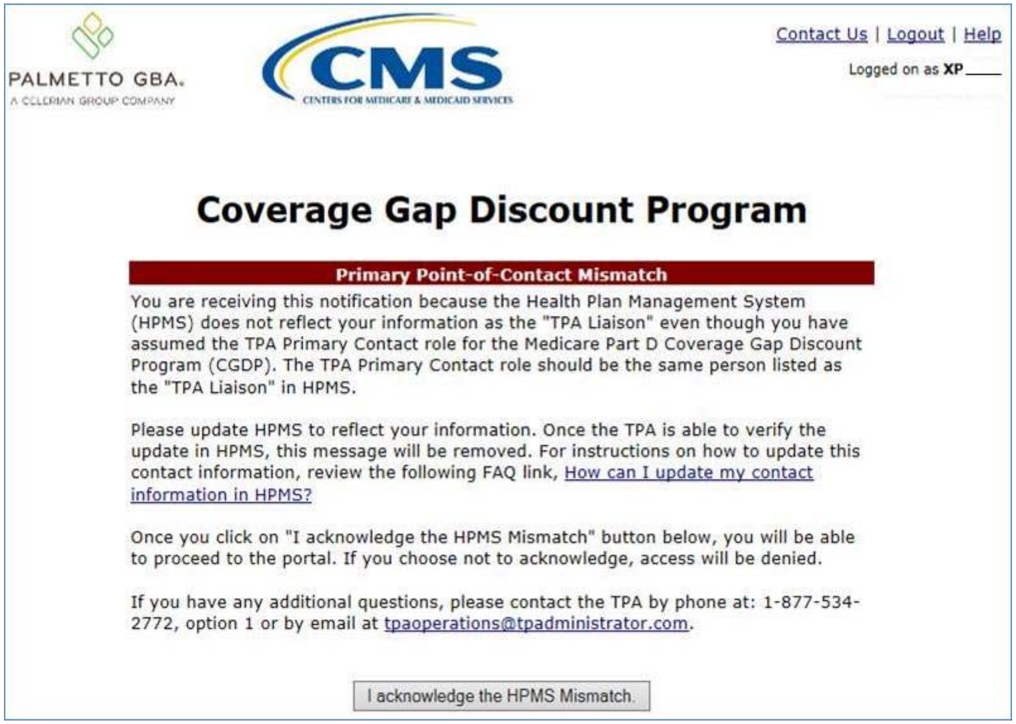
Helpful Tips
Lessons Learned

Lessons Learned from the past 5 invoice payment quarters:

- Log on to the CGDP Portal at least once per month
  - Passwords expire every 30 days
  - You will need to contact the TPA if your password expires
  - HPMS and TPA contact information **<u>must</u>** match prior to reissue of Portal credentials

Helpful Tips
HPMS Contact Information

- At the beginning of each payment period
  - Verify that the individual(s) with CGDP Portal access and Payment Initiator responsibilities has not changed
  - Ensure that the “TPA Liaison” and the “Coverage Gap Discount Program (CGDP) Payment Contact” fields **<u>in HPMS</u>** have been updated to reflect the correct individual(s)
    - » Contact the TPA if any changes were made in HPMS, as soon as possible, so that we can re-issue credentials to access the CGDP Portal



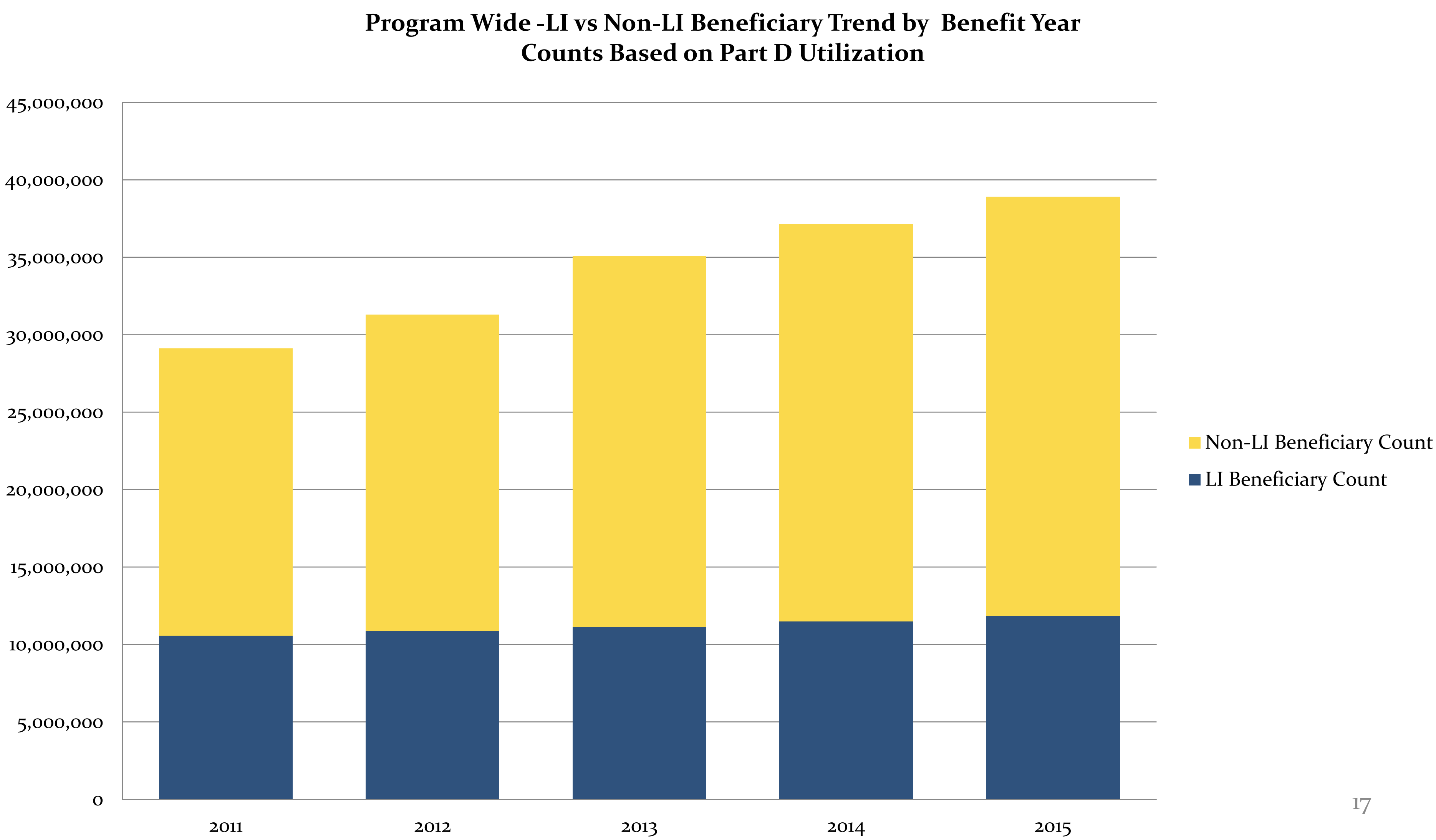
Helpful Tips
Bank Account Updates

- Verify that there are no changes in the bank accounts used for making and/or receiving payments
  - Complete the EFT change form(s) on the TPA website if the account(s) has changed since last reporting period payments were made
    - Make sure debit filter is properly configured if a debit block is enabled for the account
    - Make sure that any debit limit for that account is configured to accommodate the total amount of all line items that you expect to pay at one time
- Confirm your bank's minimum ACH payment limitation amounts
  - Pay all outstanding deferred payments from previous quarters if the minimum ACH payment limitations
    - Have been relaxed
    - No longer exist
    - Are exceeded by the total of deferred amounts plus new invoice amounts
- **<u>Do not wait until the deadline to initiate payments!</u>**
  - Initiate payments at least one week prior to allow for resolution of any of the issues mentioned above
  - Allow additional time if making payments for the first time

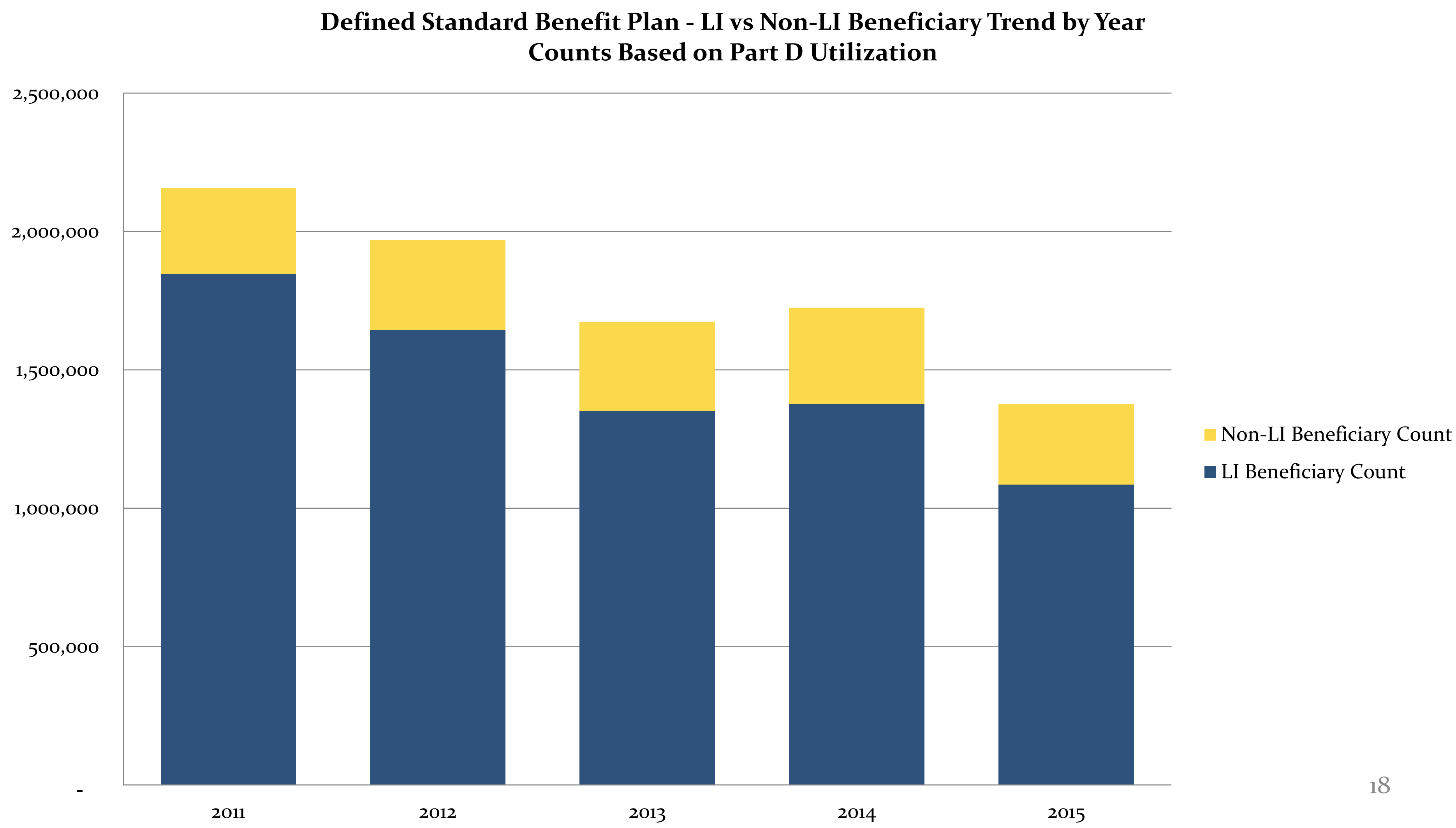
CGDP Data Analysis

Amanda Johnson
CMS, Division Director, Division of Payment Reconciliation

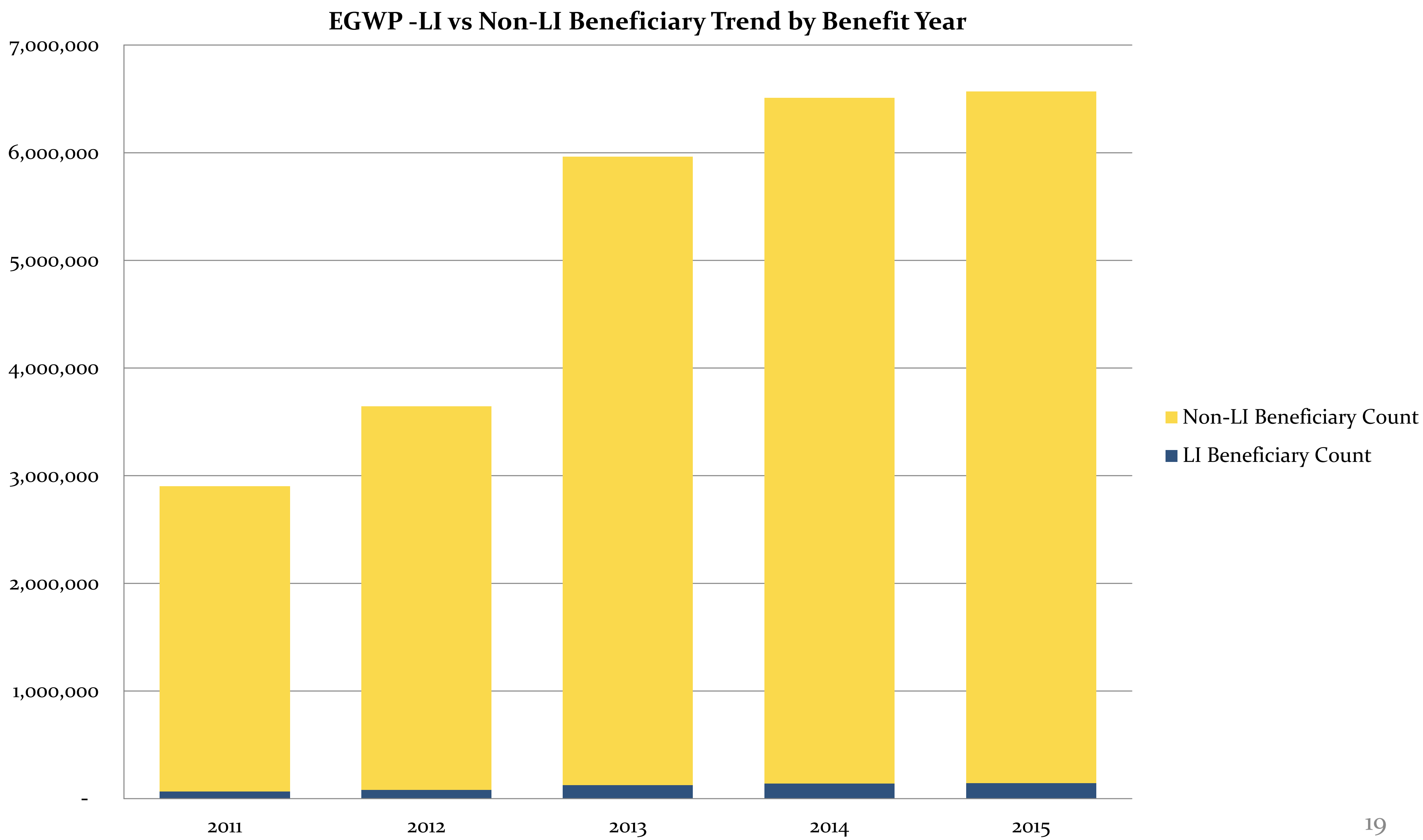
Program Wide Beneficiary Count Distribution



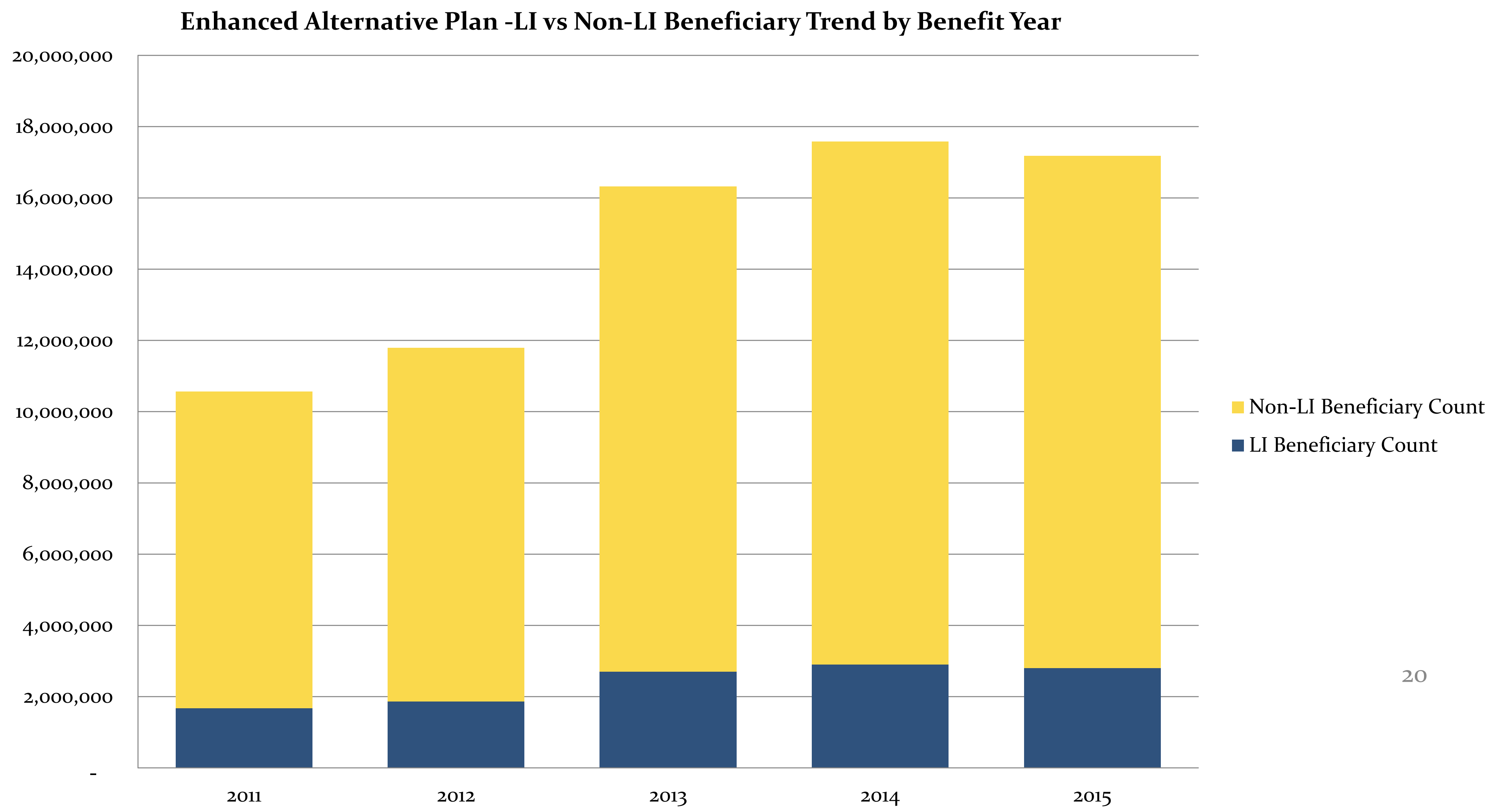
Non-Low Income (LI) Beneficiaries in Defined Standard Plan



Non- LI Beneficiaries in Employer Group Waiver Plans



Non-LI Beneficiaries in Enhanced Alternative Plans



Retiree Drug Subsidy (RDS) Program Statistics

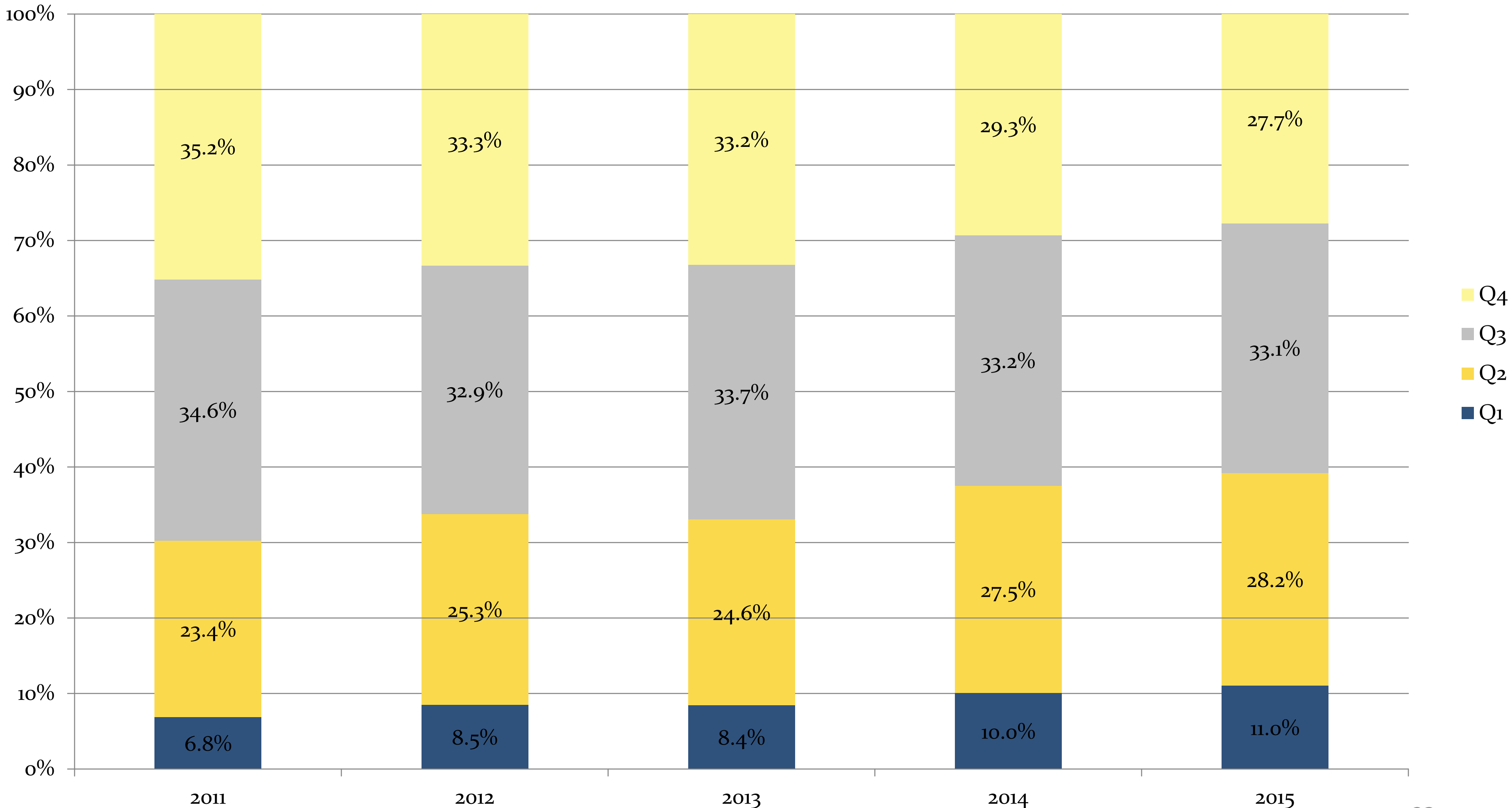
- Section 1860D-22 of the Social Security Act describes the Retiree Drug Subsidy Program

Year	Beneficiaries	Sponsors
2006	7,854,930	4,220
2007	7,676,994	3,978
2008	7,478,720	3,576
2009	7,263,096	3,551
2010	7,316,951	3,486
2011	6,918,581	3,347
2012	6,217,640	3,083
2013	4,161,090	2,851
2014	3,039,813	2,533

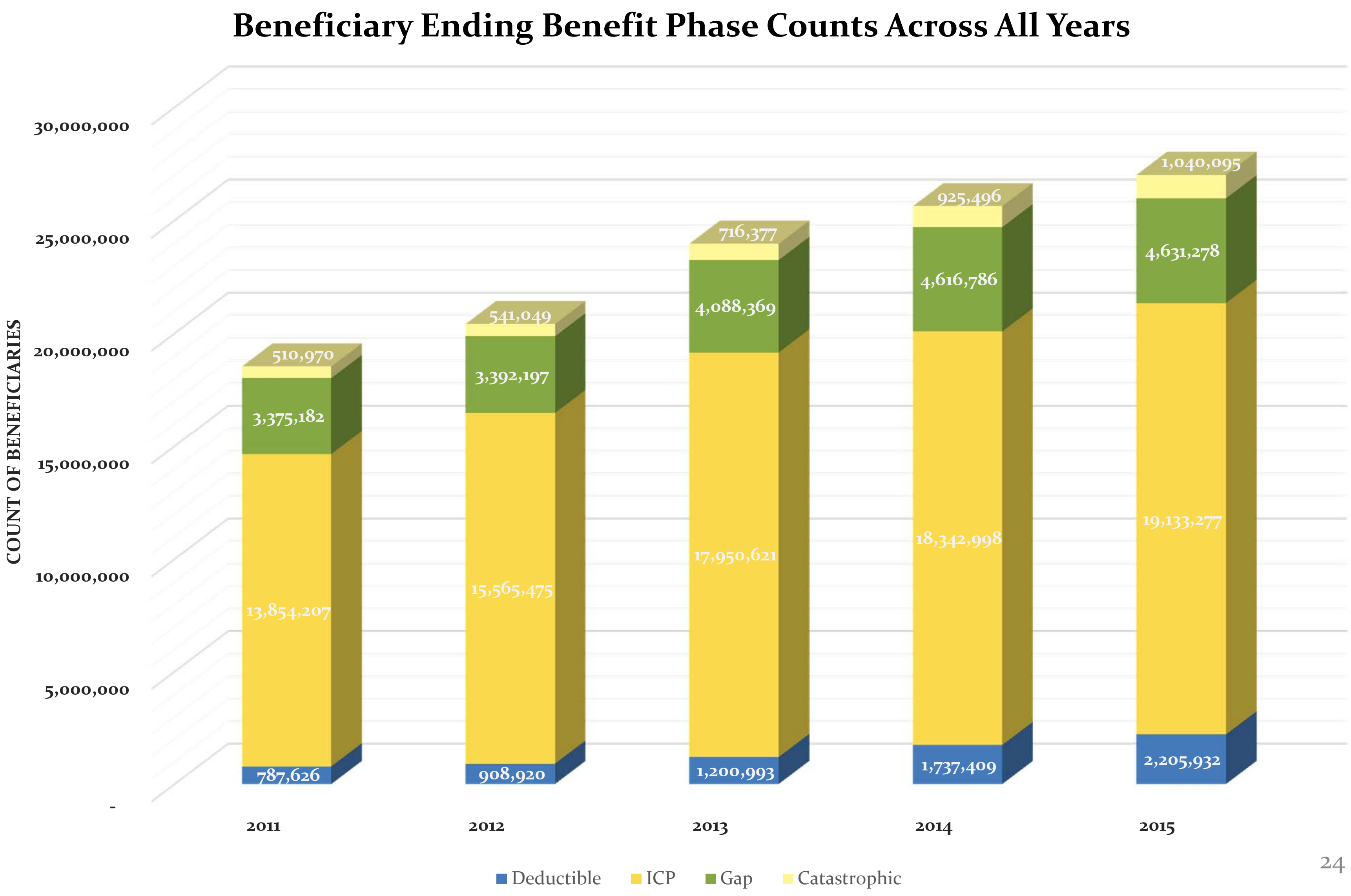
2014 RDS Program Participants

- Approximately 30% of sponsors have <100 beneficiaries
- Just over 80% of sponsors have less than 1,000 beneficiaries
- 1 sponsor has over 100,000 beneficiaries

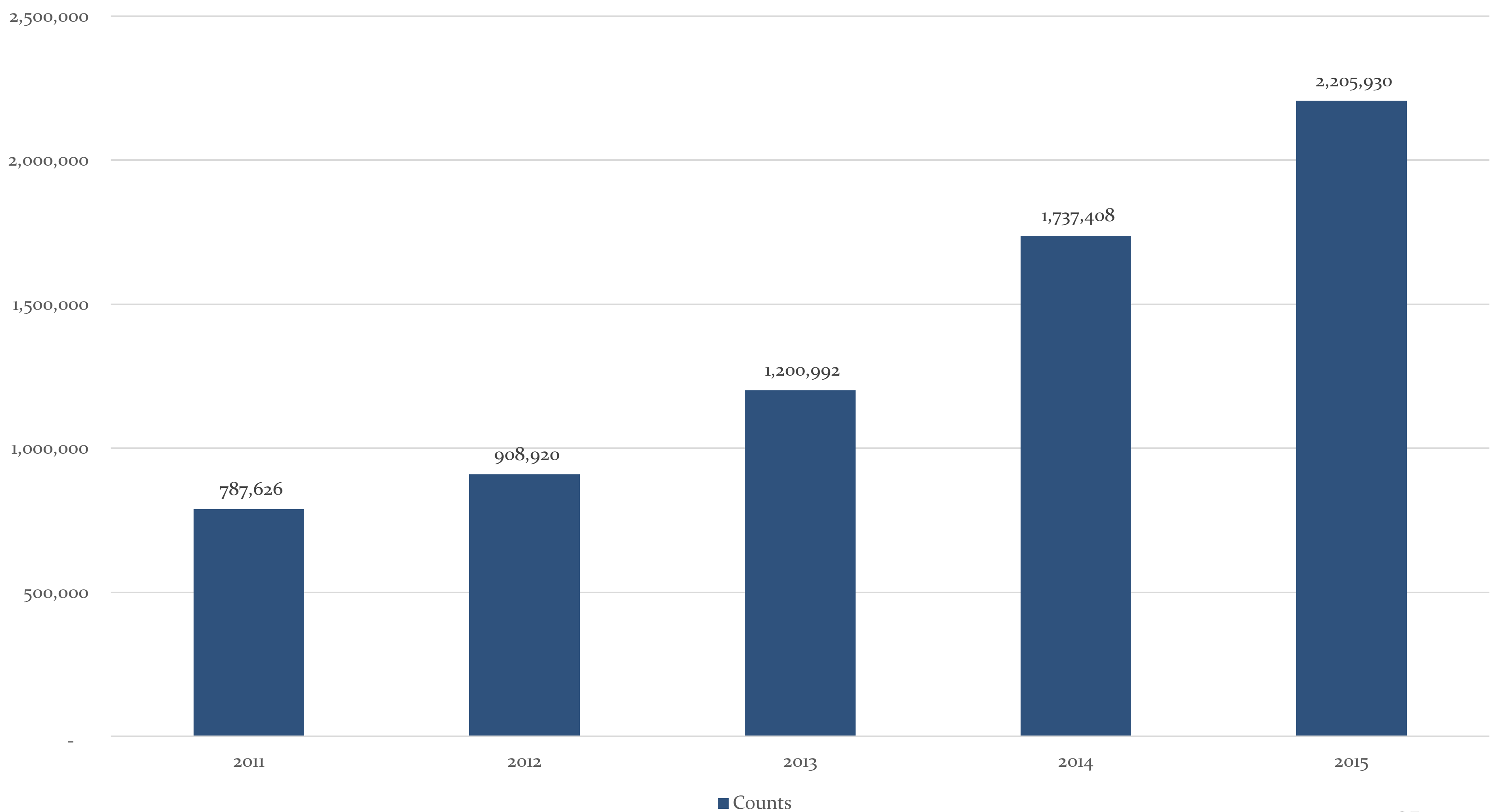
Quarter non-LI Beneficiaries Enter the Coverage Gap



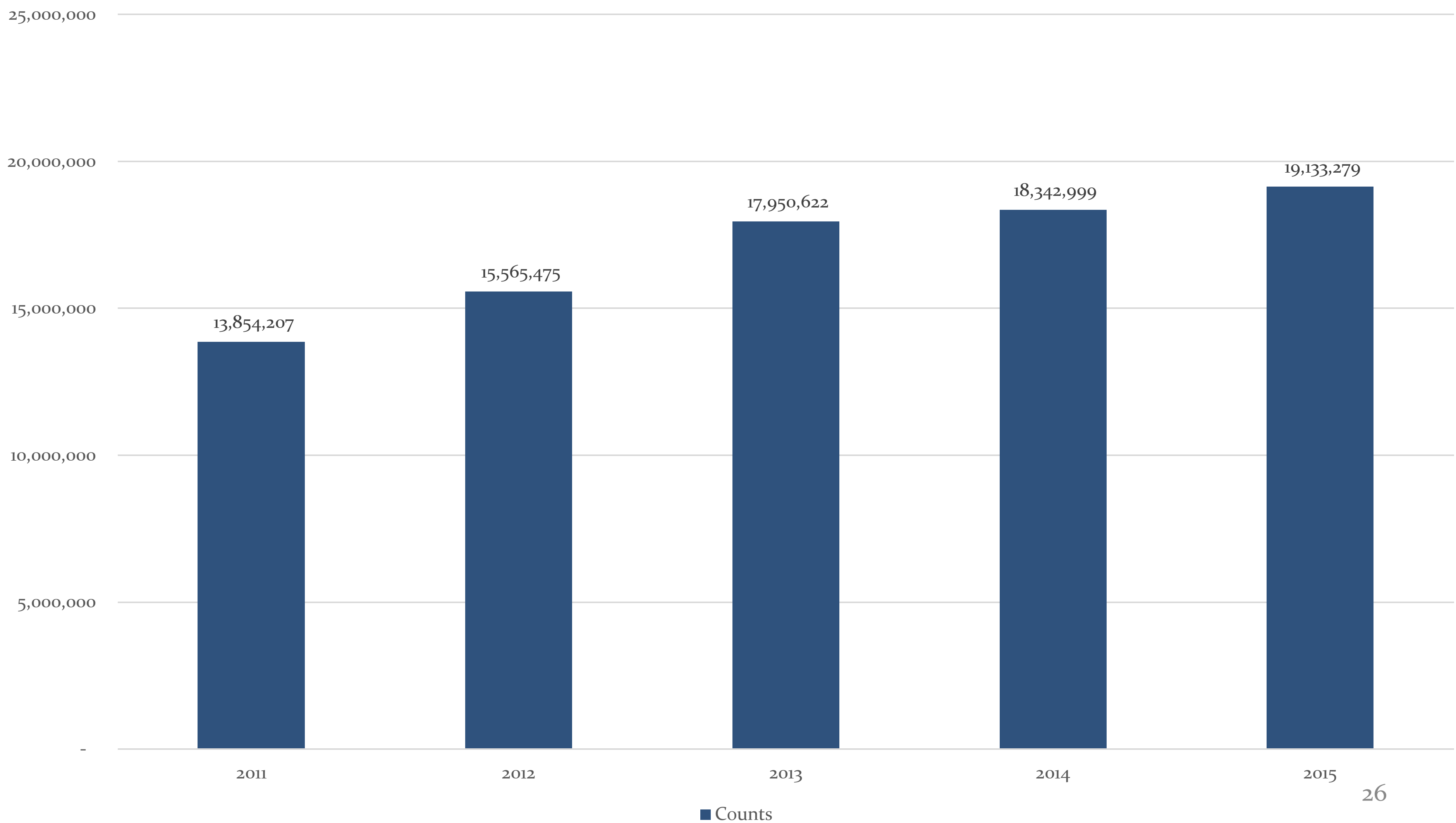
Non-LI Beneficiary Ending Benefit Phase Counts Across All Years



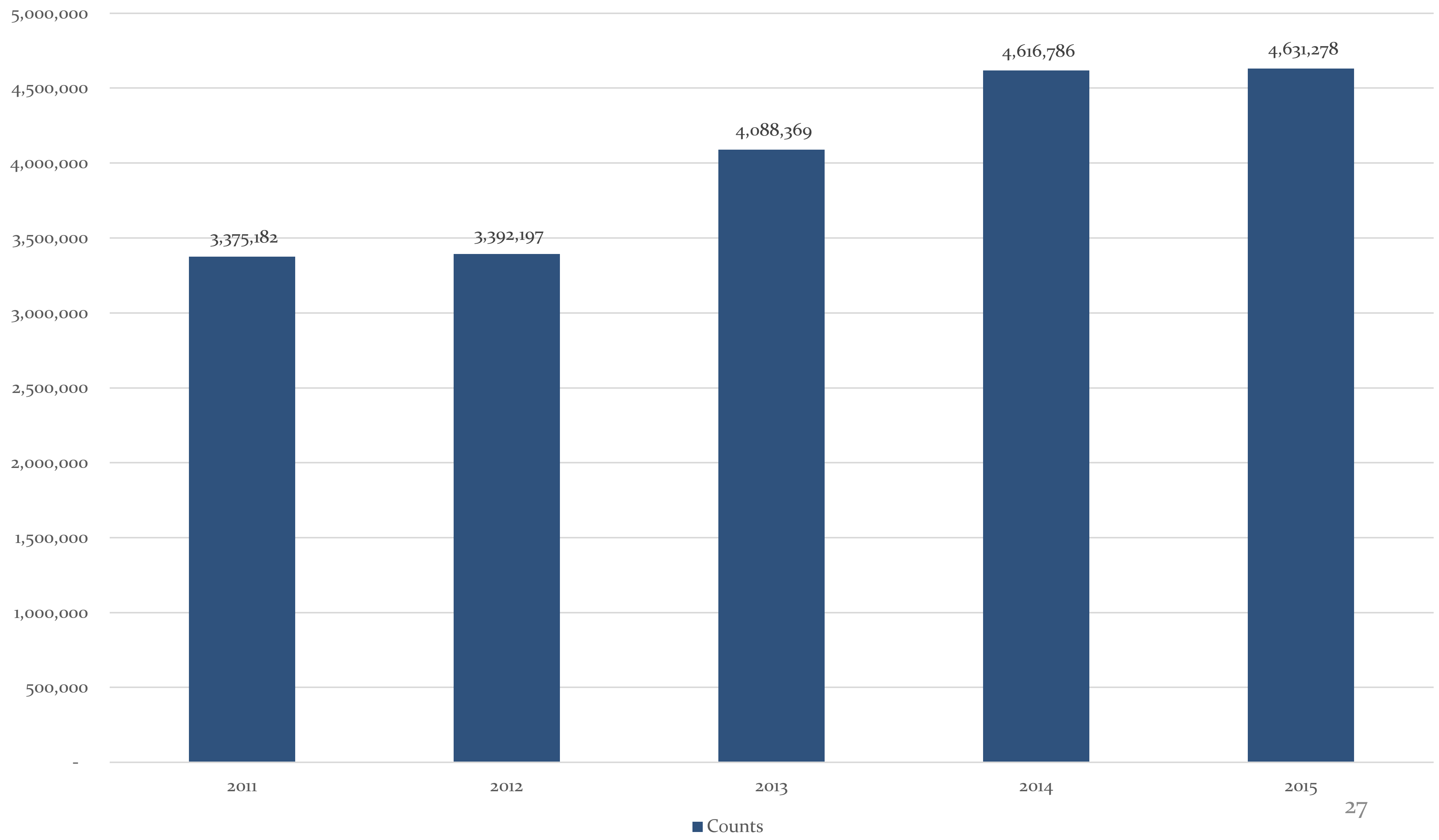
Non-LI Beneficiary Counts Ending in the Deductible Phase



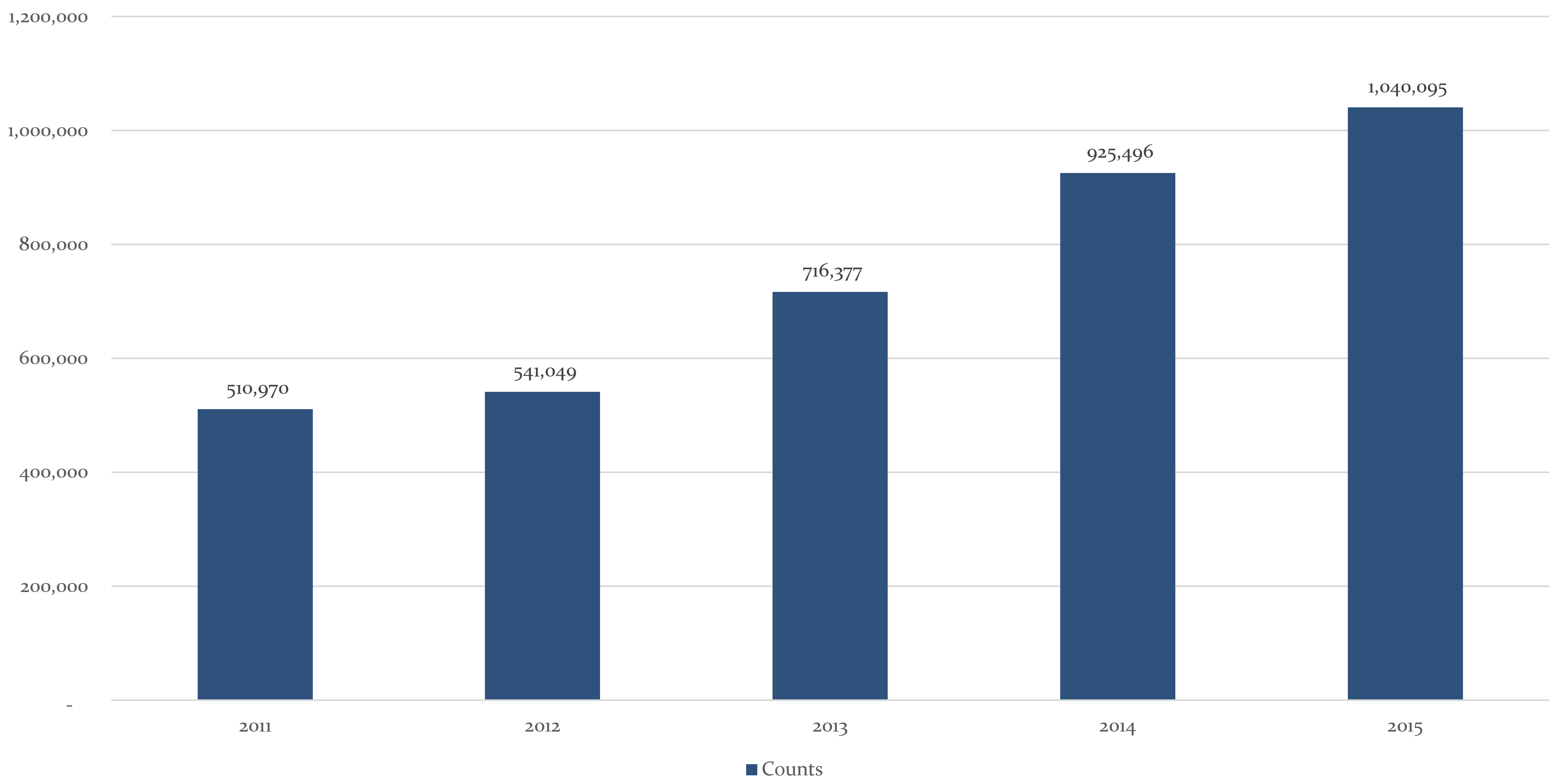
Non-LI Beneficiary Counts Ending in the Initial Coverage Phase



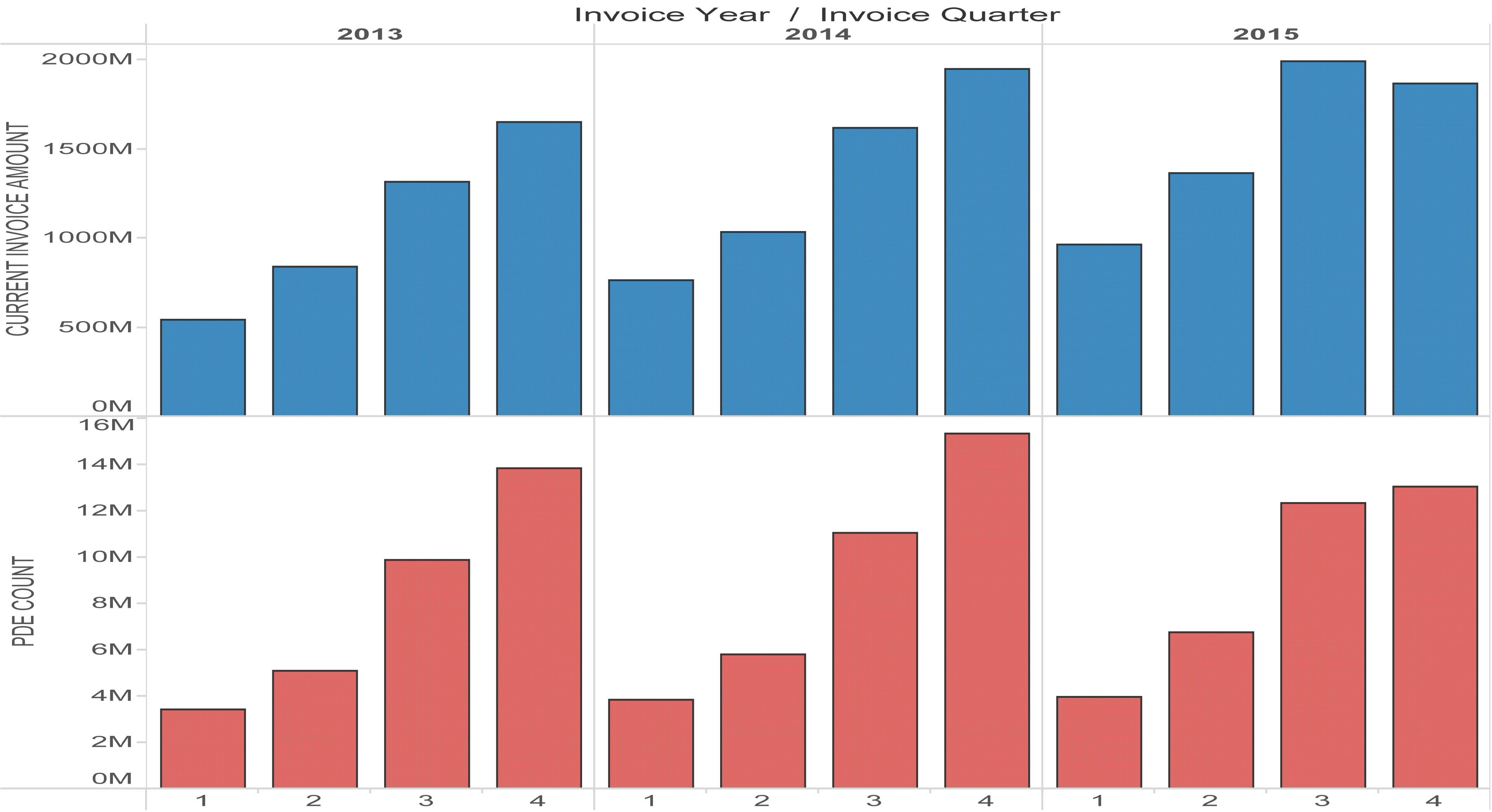
Non- LI Beneficiary Counts Ending in the Gap Phase



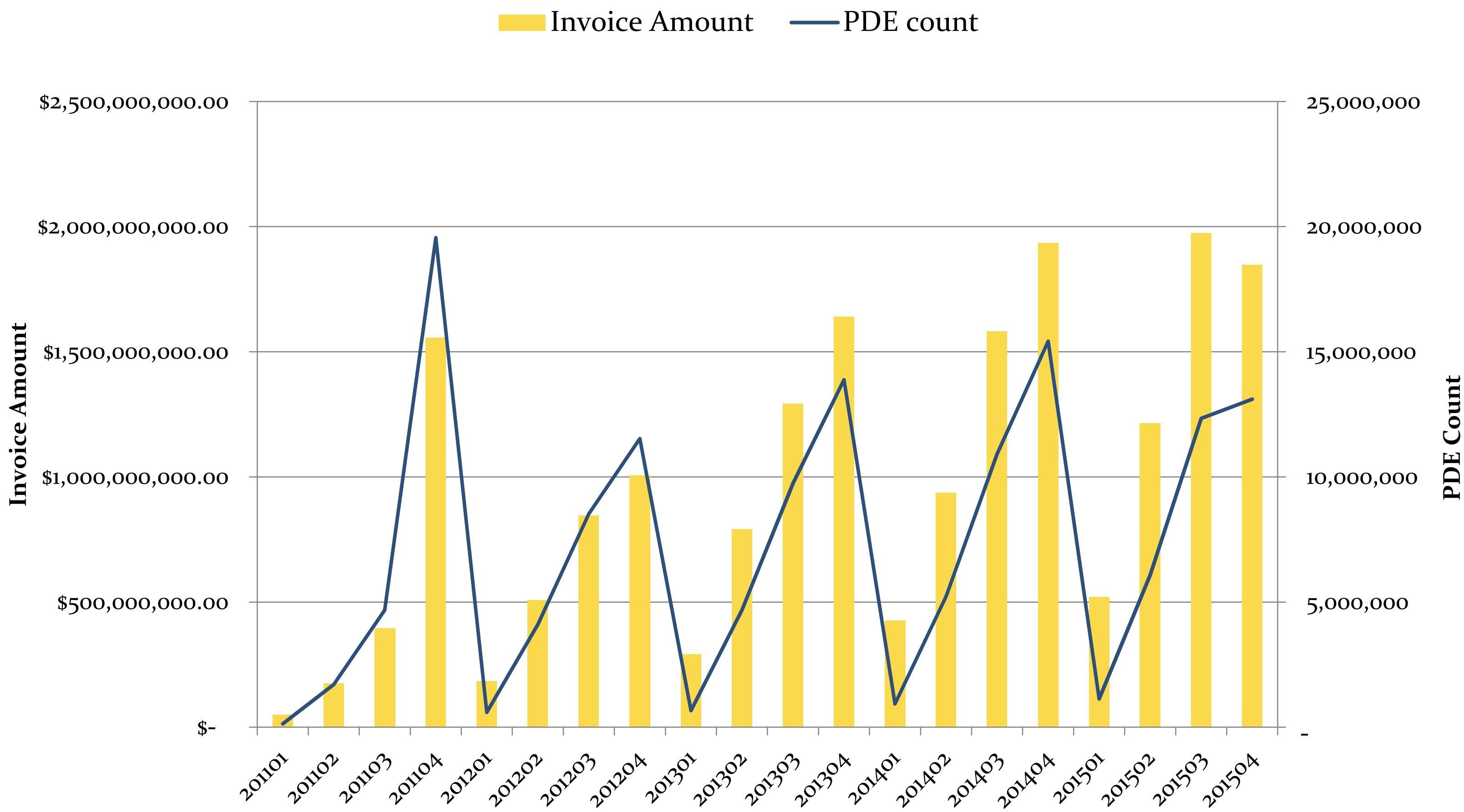
Non-LI Beneficiary Counts Ending in the Catastrophic Phase



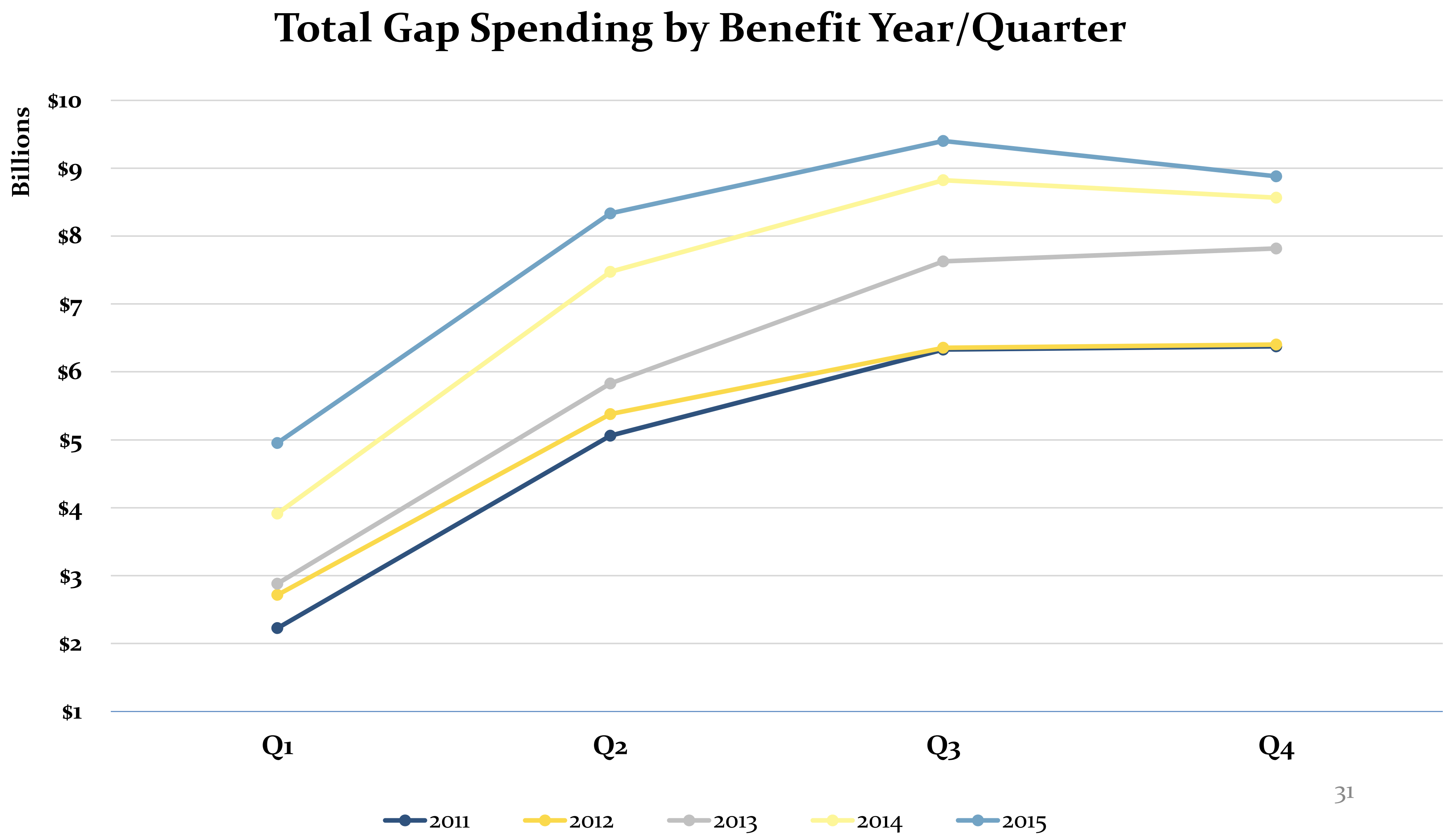
Invoice Amounts and PDE Counts by Quarter



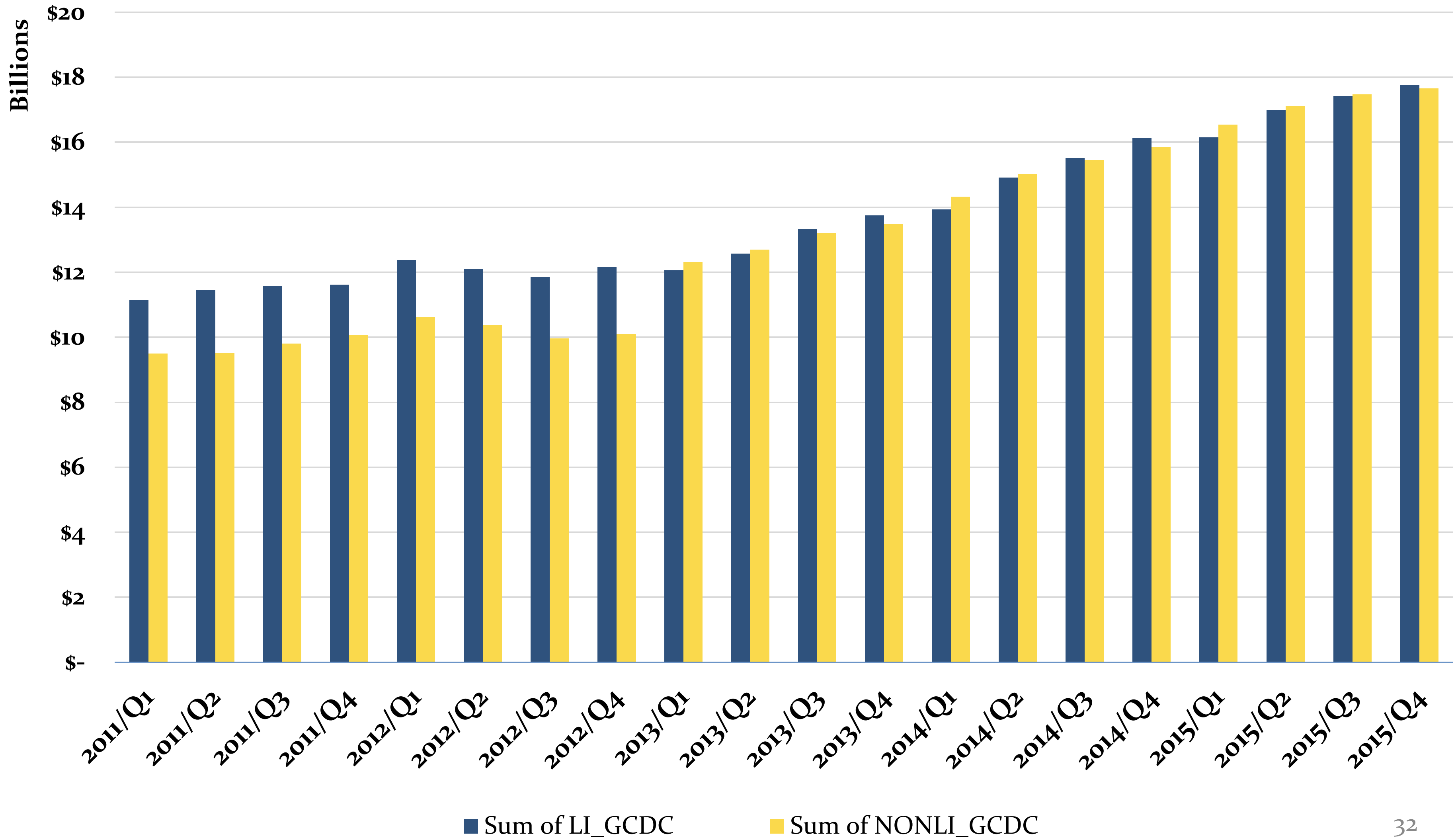
Invoice Amount and PDE Count Trending by Quarter



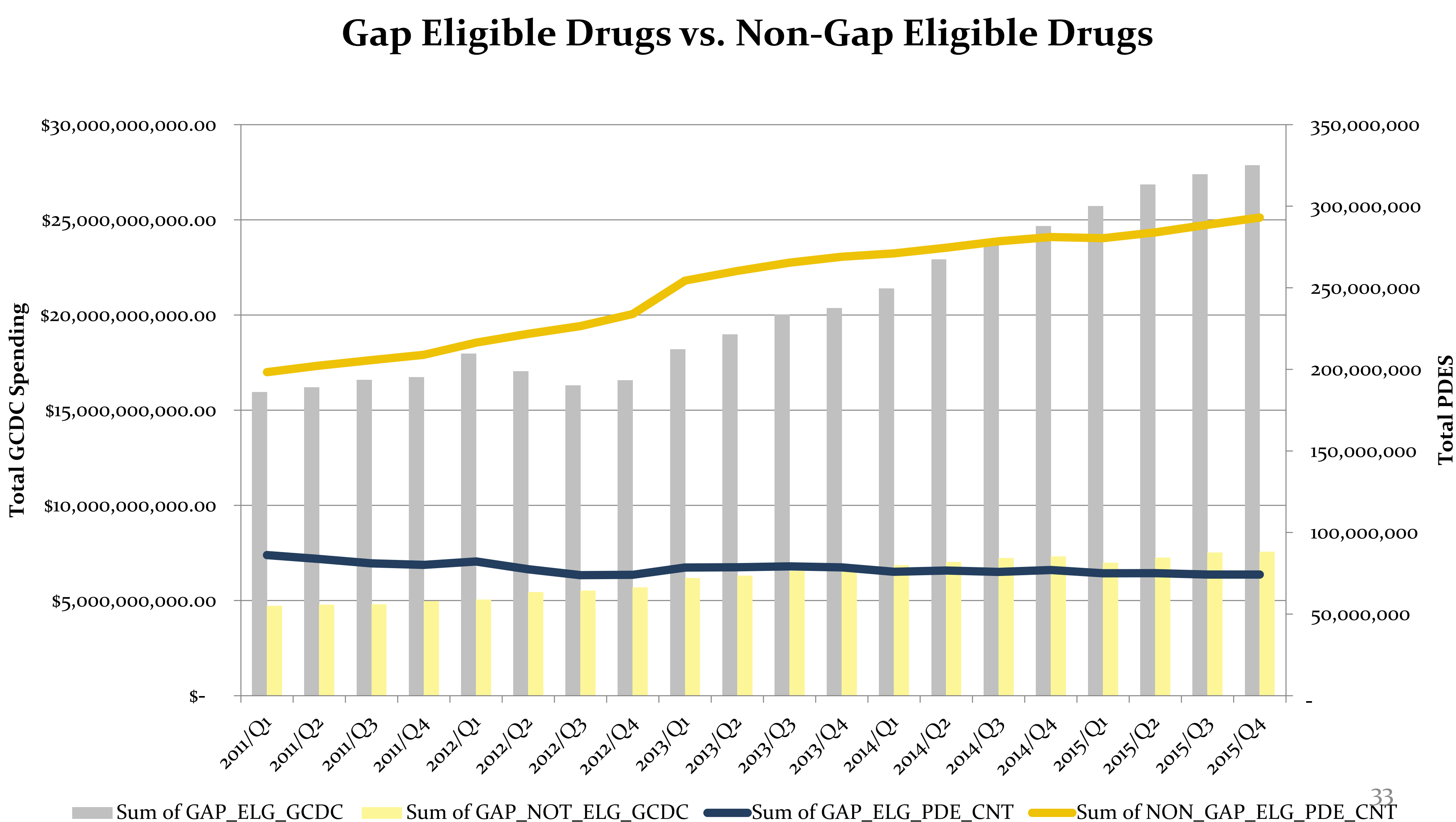
Drug Costs in the Coverage Gap by Calendar Year and Quarter



Total GCDC Spending by Quarter for LI vs Non-LI Beneficiaries



Gap Eligible Drugs vs Non-Gap Eligible Drugs



CGDP Data Analysis Summary

- Medicare Part D enrollment continues to grow
- Significant RDS program enrollment decreased from 2012 to 2013 contributing to increased EGWP participation
- Number of PDEs per beneficiary continues to decrease
- Average Coverage Gap discount amount per beneficiary and average invoice amount per PDE is increasing
- Beneficiaries are entering the Gap earlier and more beneficiaries are entering the Gap

Contacting the TPA

- **TPA website - http://tpadministrator.com**
- Phone:
  - Help Line: 1-877-534-2772 – Option 1
  - Hours: Monday thru Friday 8am to 7pm ET
- General email inquiries regarding the invoicing and payment process should be sent to tpaoperations@tpadministrator.com
- Webinar slides will be posted to the TPA website

December 2016 Webinar

Q & A