

**Manufacturer Webinar
May 20, 2014**

QUESTIONS AND ANSWERS

EFT Questions

1. What other information could we use in identifying payments, if the plans do not use the unique identifiers?

Answer: It is very important the unique identifier accompanies each payment, but if an entity is unable to verify where the payment came from, please contact the TPA Operations team. They will be able to work with the sponsor/drug manufacturer to help identify payment.

2. Why doesn't TPA handle payments when they hold the EFT data repository?

Answer: The charter of the TPA does not permit it to hold or transfer any funds. However we are investigating a different approach which will involve the TPA becoming more directly involved with the payment process, rather than the payment confirmation level.

Dispute/Appeals

3. How is the manufacturer notified of the resolution when they have an upheld dispute?

Answer: CMS submits a status in the Dispute Resolution file to the drug manufacturer by the 60th day following the dispute file submission deadline. Status codes are reported in the "Dispute Disposition" field of the Dispute Resolution File with either an upheld or denied status.

4. When manufacturers get a decision/response that the "PDE is incorrect", does this mean that the PDE will be corrected and re-submitted; and will the manufacturer will be credited the full amount of that PDE?

Answer: Not all upheld disputes result in changes to the PDE in fields that would result in a refund to the manufacturer. Sponsors have 90 days to correct the PDE and, if applicable, the drug manufacturer will receive credit within one or two invoicing cycles.

5. How can a manufacturer dispute if the invoice does not identify a specific beneficiary?

Answer: The Manufacturer Dispute Submission File is created using information provided in the Manufacturer Quarterly Detail Report. The fields included in the Quarterly Detail Report were agreed upon under the Manufacturer's Agreement. Beneficiary information is not included in this report. Manufacturers are required to convert the Manufacturer Quarterly Detail Report into the Dispute Submission File, using the instructions on the TPA website under Manufacturer Disputes.

CGDP Data Overview

6. Does the maximum discount for 2014 (\$2,307) apply to EGWPs?

Answer: Yes. Beginning in 2014, EGWPs are treated as Defined Standard plans and all additional benefits offered by the EGWP are considered outside of Part D and not TrOOP eligible.

7. Can you restate the aggregate claims within a calendar year should not exceed the following: Historically I understood 2013=\$4750. 2014 \$4550. Do I understand a new formula changes these numbers to 2013\$4871. 2014 \$4667

Answer: The formula that you are referring to is used to calculate the maximum gap discount on a single claim. The TrOOP threshold for 2014 is \$4,550. Once a beneficiary reaches an aggregate of \$4,550 of TrOOP eligible costs, the person enters the catastrophic phase of the Part D benefit. The maximum gap discount amount per beneficiary, per benefit year could equal \$4,550 if the beneficiary is enrolled in an Enhanced Alternative Plan where the beneficiary has no cost sharing.

8. Will TrOOP continue to decrease as the plan's share or gap expense increases?

Answer: Part D basic benefit parameters are determined by the CMS Office of the Actuary. The methodology and final amounts for are included in the Advance Notice of Methodological Changes and annual Call Letter. This document is released annually via HPMS.

9. How was the 2014 maximum discount for a single PDE calculated? For 2014, when we apply the formula, we get a different amount than what was on the slide.

Answer: The amount listed in the slide was incorrect. The maximum discount in 2014 for a single claim is $(4,550 / (1-.025)) * .5 = \$2,333.33$. The maximum discount calculation takes into account that the Part D sponsor has financial responsibility for 2.5% of the drug cost in the gap and this amount is not TrOOP eligible. The slide deck has been updated to reflect the corrected amount.

Manufacturer Portal and Online Payment Confirmation Questions

10. When using the manufacturer portal, if the manufacturer has not received the payment at the time of making confirmation, what date do we put in in the Payment date column?

Answer: The confirmation date field will be prefixed with the current date. For the payments that were not received, you would enter a 0 in the Amt Paid/Received field and make no changes to the date field.

11. Is online confirmation available for the Negative Invoice Reconciliation?

Answer: No. The Invoice Reconciliation reports are not available on the Manufacturer Portal because this was a one-time occurrence.

12. Is there a way to confirm the negative payments received by the manufacturer on the portal?

Answer: Yes, but only for the negative amounts that appeared on your Quarterly invoices beginning with the Q1 2014 quarterly invoice and going forward; not the Invoice Reconciliation report. If negative payments are received, you would confirm by entering in the amount received in the Amt Paid/Received field.

13. Can the Online Payment Confirmation portal be used to confirm payments on the Invoice Reconciliation Report; or will the confirmations only be accepted via the SFTP site?

Answer: No. The Invoice Reconciliation confirmation file will only be accepted via flat file uploaded to your SFTP or Sponsor mailbox.

TPA Operations Website

14. Can the slides be posted before the Webinar for those of us who routinely have trouble accessing the Webinar until it is already in progress (missing slides)?

Answer: We are making plans to have the slides available prior to the upcoming webinar sessions. The slides will be located on the TPA Operations website.

Invoice Reconciliation Information

15. If plans are not submitting negative invoice information properly, can manufacturers reject the incorrect payment?

Answer: For instances where payments cannot be allocated, please contact the TPA and we'll help to appropriate the payments.

16. When is the confirmation due for the negative invoice amounts?

Answer: In response to the Invoice Reconciliation Report, Part D Sponsors and Drug Manufactures must provide payment confirmation to the TPA by May 30, 2014.

Payment Confirmations

17. If we make confirmations through the FTP mailbox, should we repeatedly submit multiple confirmations as we receive payment from the sponsors?

Answer: Yes. Manufacturers will need to confirm each payment received from each sponsor. If additional payments are received after the confirmation has been sent to the TPA, subsequent updated confirmations must be submitted in their entirety.

18. When is the confirmation due?

Answer: As stated in the Manufacturer Agreement, manufacturers have 38 days from date of report receipt to make payment and 5 business days from the payment date to submit a Payment Confirmation. A schedule of due dates is published on the TPA website under the CGDP Calendar link.

19. With Q1 2014, how long does a Sponsor have to reimburse a Manufacturer? Are these refunds due at the same time the payments are due to Sponsors?

Answer: Yes. The current payment schedule will work the same for both Manufacturers and Sponsors. Payment is due 38 days from report receipt, and payment confirmation due 5 days following. You may also refer to the CGDP calendar on the TPA website for all program dates and deadlines.