

Goal: Getting Payments Right



HHS
Medicare Part D

Brief Program Description:

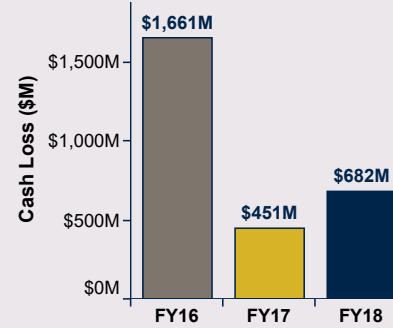
Medicare Prescription Drug Benefit (Medicare Part D) is a federal prescription drug benefit program for Medicare beneficiaries.

Change from Previous FY (\$M)

\$231M



Cash Loss by FY (\$M)



Key Milestones		Status	ECD
1	Finalize cash loss estimation methodology	Completed	Nov-18
2	Identify cash loss amount for FY 2018	Completed	Nov-18
3	Identify true root causes of cash loss	Completed	Nov-18
4	Develop mitigation strategies to get the payment right the first time	Completed	Nov-18
5	Evaluate the ROI of the mitigation strategy	On-Track	Nov-19
6	Determine which strategies have the best ROI to prevent cash loss	On-Track	Nov-19

Quarterly Progress Goals			Status	Notes	ECD
1	Q4 2018	Continue formal outreach to plan sponsors for invalid/incomplete documentation in FY19, and distribute plan summary reports to all plans participating in the national payment error estimate to provide feedback on submission and validation results.	On-Track	None	Dec-19
2	Q4 2018	In 2019, HHS will continue its national training sessions for Part D sponsors on payment and data submission, offering training sessions with detailed instructions as part of the improper payment estimation process.	On-Track	None	Dec-19

Recent Accomplishments		Date
1	According to law enforcement notifications received during the first 3 quarters of FY 2018, NBI MEDIC referrals to law enforcement resulted in recoveries of \$9.97 million for Part D.	Sep-18
2	Due to the National Benefit Integrity Medicare Drug Integrity Contractor's (NBI MEDIC) data analysis projects, including Part D plan sponsor self-audits, CMS recovered \$3.12 million from Part D sponsors during the first three quarters of FY 2018.	Sep-18
3	In FY 2018, Part D sponsors reported and returned approximately \$2.1 million in self-reported overpayments.	Sep-18

FY18 Amt(\$)	Root Cause	Root Cause Description	Mitigation Strategy	Anticipated Impact of Mitigation
\$682M	Insufficient documentation to determine	Insufficient Documentation to Determine resulted in overpayments of \$681.78 million.	Reduce insufficient documentation to determine errors through outreach efforts, improved policy based on statutory requirements, and expanded education to Part D sponsors.	HHS takes a holistic approach to develop corrective actions from various perspectives. Impact on the improper payment rate may not be realized for up to 2 years, and implementing new/revised policies may also result in a slight increase in rates.