

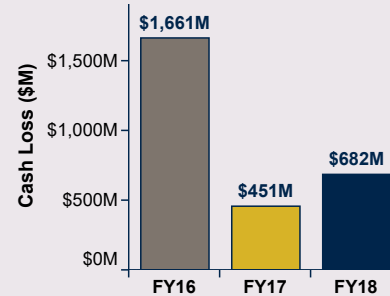
# Goal: Getting Payments Right

Change from Previous FY (\$M)

\$231M



Cash Loss by FY (\$M)



**HHS**  
Medicare Part D

**Brief Program Description:**

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

Key Milestones	Status	ECD
1 Finalize estimated cash loss estimation methodology	Completed	Nov-18
2 Identify estimated 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 Q2 2019 In January 2019, completed national training sessions for Part D sponsors on payment and data submission, offering training with detailed instructions as part of the improper payment estimation process for FY 2019 reporting.	Completed	N/A	Apr-19
2 Q2 2019 Continue formal outreach to plan sponsors for invalid/incomplete documentation in FY19, and distribute final findings reports to all plans participating in the national payment error estimate to provide feedback on submission and validation results.	On-Track	N/A	Dec-19

Recent Accomplishments	Date
1 According to law enforcement notifications received during the first three quarters of FY 2018, NBI MEDIC referrals to law enforcement resulted in recoveries of \$9.97 million for Part D.	Nov-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.	Nov-18
3 In 2018, Part D sponsors reported and returned approximately \$2.1 million in self-reported overpayments.	Nov-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 two years, and implementing new/revised policies may also result in a slight increase in rates.

**Cash Loss** - Cash loss to the Government includes amounts that should not have been paid and in theory should/could be recovered.