

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



## **CENTER FOR BENEFICIARY CHOICES**

---

**DATE:** April 20, 2006

**TO:** Selected Medicare Compliance Officers

**SUBJECT:** Testing Certification for Prescription Drug Event (PDE) Data

In April, 2005, the Centers for Medicare & Medicaid Services (CMS) published Requirements for Submitting Prescription Drug Event (PDE) data to CMS, required as a condition of payment for all plans participating in the Medicare Part D program. Plans may designate another entity to submit claims for them to CMS, but plans remain responsible for data submission and content.

Whether plans elect to submit data themselves or choose to use a third party submitter, all MA-PD/PDPs must test and should have been certified to submit or must be registered with a certified submitter by January 31, 2006 to submit PDE data on a regular basis throughout the year.

Our records indicate as of April 12, 2006 your contract has not attempted to submit test files and is not certified, nor registered with a certified entity to submit PDE data to CMS.

As stated in the CMS Instructions: Requirements for Submitting Prescription Drug Event data, dated April, 2005: In the first year of the benefit (2006), plans or a plan's designee must submit PDE records electronically to CMS according to the following schedule:

- Test file due to CMS by January 31, 2006
- First production file (actual records) due to CMS by the end of the first quarter (March 31, 2006)
- Thereafter, PDE records must be submitted to CMS electronically at least once a month.

Your plan is not in compliance with the requirement to submit PDE data and has missed the January 31, 2006 deadline certification and submission of a test file to CMS, and has also missed the March 31 deadline for submission of the first production file. Failure to test, certify and submit subsequent PDE data to conduct reconciliation may result in payment recovery through a lump-sum recovery; by adjusting or ceasing monthly payments throughout the remainder of a coverage year; or by adjusting monthly payments in a subsequent year.

Page 2

Please contact the Customer Service and Support Center (1-877-534-2772), [www.cssoperations.com](http://www.cssoperations.com)) immediately for assistance in establishing testing and certification completion.

Sincerely,

/s/

Jeffrey Grant  
Director Division of Payment Systems  
Center for Beneficiary Choices