

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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CENTER FOR MEDICARE

TO: All Part D Sponsors

FROM: Cynthia G. Tudor, Ph.D., Director, Medicare Drug Benefit and C & D Data Group

SUBJECT: Special Process for 2010 End-of-Year Non-Enrollment-Related 4Rx Changes

DATE: November 4, 2010

The purpose of this memorandum is to announce the special 2010 end-of-year process for **non-enrollment-related 4Rx changes**. These changes may stem, for example, from a sponsor's pharmacy benefit manager (PBM) change.

Key Dates Associated with the Special Process for 2010 End-of-Year Non-Enrollment-Related 4Rx Changes	
December 17, 2010-	TrOOP Facilitator will create a snapshot (static) database for 2010 transaction processing.
December 18, 2010-	Sponsors will begin to submit any 4Rx changes unrelated to a plan enrollment change to be effective for 2011.
January 10-20, 2011-	TrOOP Facilitator will accept requests for manual non-enrollment-related 4Rx changes to the 2010 snapshot database.
January 21-26, 2011-	TrOOP Facilitator will process the requests for manual changes and update the 2010 snapshot database.
January 27, 2011-	TrOOP Facilitator will implement the updated database and initiate 2010 automated TrOOP balance transfer transactions for beneficiaries whose 4Rx data were changed.
March 31, 2011-	TrOOP Facilitator will cease processing automated TrOOP balance transfer transactions for 2010.

As we have explained previously, currently 4Rx changes that are not associated with a plan enrollment change result in new Part D 4Rx data replacing existing 4Rx data for the entire plan

enrollment period. This replacement occurs without regard to the effective date indicated on the plan-submitted 72 transaction, because the effective date is used only to verify the submitting sponsor has the enrollment and is therefore authorized to change the 4Rx data. As a result, as soon as CMS successfully processes the 72 transaction, the new data becomes the only 4Rx data available for the enrollment period for use in processing. This processing includes Part D Claims Billing (B1, B2, B3), Eligibility Verification (E1), Information Reporting transactions (N1, N2, N3) for supplemental payer claims information, and Financial Information Reporting (F1, F2, F3) for automated TrOOP balance transfer transactions. The use of the new data prior to the intended effective date causes transactions that rely on this data to be incorrect, misrouted or rejected.

CMS has initiated a systems change request to change how 4Rx changes associated with an existing enrollment period are processed and stored, but the change will not be implemented until 2011. Therefore, CMS, working with the TrOOP Facilitator, RelayHealth, and the National Council for Prescription Drug Programs, has developed a special interim end-of-year process for 2010 for **non-enrollment-related 4Rx changes**.

The interim end-of-year process for **non-enrollment-related 4Rx changes** will involve the following:

- On December 17, 2010, the TrOOP Facilitator will create a snapshot (i.e., static) database that will be used to process Eligibility Verification (E1), Information Reporting transactions (N1, N2, N3) for supplemental payer claims information, and Financial Information Reporting (F1, F2, F3) for automated TrOOP balance transfer transactions with 2010 dates of service. The database will include the 4Rx data changes/corrections submitted to CMS and successfully processed on/before December 17th. We encourage processors to submit **non-enrollment-related 4Rx** change requests that are effective for 2010 as soon as possible, because a high volume of changes received on December 17th may create a processing problem. Any 4Rx changes unrelated to a plan enrollment change that are to be effective for 2011 must be submitted to CMS after December 17, 2010 to preclude the inclusion of this data in the snapshot database and the use of this data in 2010 transactions.
- There will be no updates or corrections to the snapshot database in 2010. However, in January 2011, sponsors will be able to submit requests for non-enrollment-related 4Rx changes to the snapshot database. The TrOOP Faciliator will accept requests for manual changes from January 10 through January 20, 2011 that are submitted in the following required format on an Excel spreadsheet.

HICN	Date of Birth	Contract Number	PBP	Effective Date	Term Date (leave blank)	BIN	PCN	GRP ID	CHID	Contract Name (optional)
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- The TrOOP Facilitator will process the requests for manual changes during the week following the submission period. The updated snapshot database will be implemented on January 27th and used by the TrOOP Facilitator to initiate 2010 Financial Information Reporting (F1, F2, F3) for automated TrOOP balance transfer transactions for the beneficiaries whose 4Rx data changed. Please note: these change requests will affect only the snapshot database to permit the correct handling of 2010 Eligibility Verification (E1), Information Reporting transactions (N1, N2, N3) for supplemental payer claims information, and Financial Information Reporting (F1, F2, F3) for automated TrOOP balance transfer transactions. A separate 72 transaction will be required to change the 4Rx data in CMS' data systems.
- 2010 Financial Information Reporting (F1, F2, F3) for automated TrOOP balance transfer transactions will continue until March 31, 2011 and will be sent to the processor reflected in the snapshot database as initially created in December or as subsequently updated based on the requests for manual changes received in January 2011.

It is important to note that 4Rx changes that are associated with an enrollment change, including enrollment transactions and 72 transactions for reporting 4Rx data for CMS-generated enrollments, may be submitted without regard to this special process.

If you have any questions concerning this memorandum, please contact Deborah Larwood at 410-786-9500 or Deborah.Larwood@cms.hhs.gov.