

HPMS E-Mail

Date: August 7, 2023

Subject: Update to the CY 2024 Drug Pricing Validation Inventory

In the June 2, 2023 memo entitled “Contract Year (CY) 2024 Part D Pricing Data Submission Guidance,” CMS noted the following validation change for CY 2024:

“CMS is implementing the following changes for CY 2024:

- *The “Non-Formulary Reference File (FRF) NDCs” validation has been updated as follows:*
- *Renamed to “Non-Formulary and Non-Excluded Drug File NDCs”.*
- *Will be triggered if the submitted pricing file contains one or more NDCs that are not present on the plan's submitted formulary or excluded drug file. Please see **Appendix C (Validation Inventory)** for the corresponding update.”*

During test window 2, CMS identified a problem with the implementation of this validation change, one which has resulted in false positive findings for some organizations. Given the finding’s non-attestable, suppressible status and the adverse impact of this change on organizations, CMS will revert to the CY 2023 version of this validation prior to test window 3. This is for plan awareness. ***No plan action is required.***

An updated version of the Appendix C CY 2024 Drug Pricing Validation Inventory is attached.

Note: During the upcoming plan preview, organizations will be able to view their CY 2024 pricing data, even if their test window 2 submission received a non-attestable, suppressible finding for the current “Non-Formulary and Non-Excluded Drug File NDC” validation.

CMS will reconsider a different implementation of the validation change for CY 2025 and alert organizations accordingly in the annual pricing guidance. Please direct questions on this email to the HPMS Help Desk at either hpms@cms.hhs.gov or 1-800-220-2028.