

# Goal: Getting Payments Right

**Program or Activity**  
Medicare Part D

**Reporting Period**  
Q4 2019

**Change from Previous FY (\$M)**

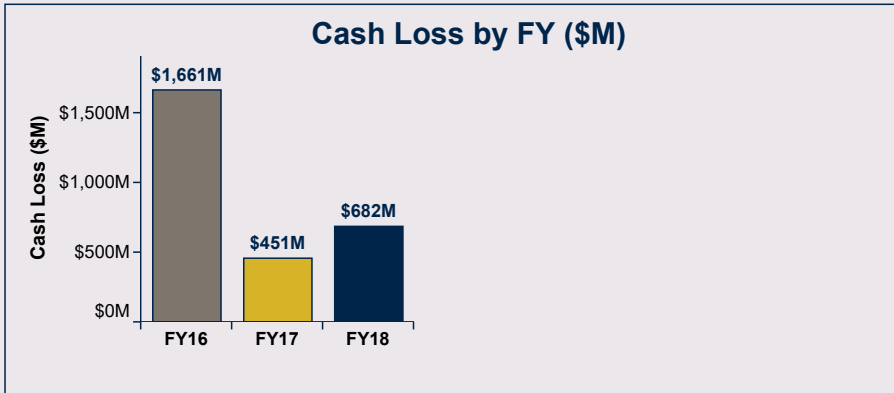
\$231M



**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 Q4 2019 In January 2019, HHS completed national training sessions for Part D sponsors on payment and data submission. This training provided Part D sponsors with detailed instructions as part of the improper payment estimation process for FY19 reporting.	Completed	N/A	Apr-19
2 Q4 2019 Continue formal outreach to plan sponsors for invalid/incomplete documentation in FY19, distribute final findings reports to all plans participating in the national payment error estimate, and provide feedback on submission and validation results.	On-Track	N/A	Dec-19

Recent Accomplishments	Date
1 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 an estimated \$12.6 million from Part D between January 2019 and July 2019.	Jul-19
2 NBI MEDIC and HHS conducted several education and outreach efforts with stakeholders from March to July 2019. Topics included fraud, waste, and abuse (FWA) schemes, trends, and best practices, as well as monitoring and oversight of high prescribers.	Jul-19

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.