

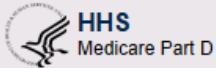
## Goal: Getting Payments Right

Program or Activity  
Medicare Part D

Reporting Period  
Q1 2020

Change from Previous FY (\$M)

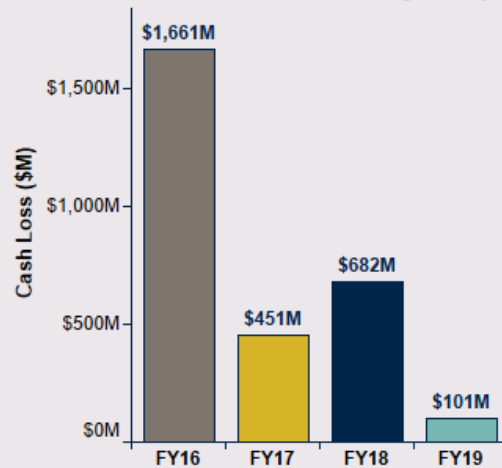
-\$581M



### Brief Program Description:

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

### Cash Loss by FY (\$M)



Key Milestones	Status	ECD
1 Develop mitigation strategies to get the payment right the first time	Completed	Nov-18
2 Evaluate the ROI of the mitigation strategy	On-Track	Nov-20
3 Determine which strategies have the best ROI to prevent cash loss	On-Track	Nov-20
4 Implement new mitigation strategies to prevent cash loss	On-Track	Nov-20
5 Analyze results of implementing new strategies	On-Track	Nov-20

Quarterly Progress Goals			Status	Notes	ECD
1	Q1 2020	Continue formal outreach to plan sponsors for invalid/incomplete documentation in FY20, distribute final findings reports to all plans participating in the national payment error estimate, and provide feedback on submission and validation results.	On-Track		Dec-20

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 \$3.8 million from Part D in FY 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
3	In FY19, Part D Sponsors self-reported and returned approximately \$1.54 million in overpayments.			Nov-19

Amt(\$)	Root Cause	Root Cause Description	Mitigation Strategy	Anticipated Impact of Mitigation
\$101M	Administrative or process errors made by: others (participating lender, health care provider, or other organization administering Federal dollars)	Administrative or Process Errors Made by: Other Party (i.e., participating lender, health care provider, or any other organization administering Federal dollars) resulted in overpayments of \$101.12 million.	Reduce administrative or process errors made by other party 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.