Payment Integrity Scorecard

Program or Activity	Reporting Period
Centers for Medicare & Medicaid Services (CMS) Medicare Prescription Drug Benefit (Part D)	Q1 2024

FY 2023 Overpayment Amount ($M)* **$2,335**

*Estimate based a sampling time frame starting 1/2021 and ending 12/2021

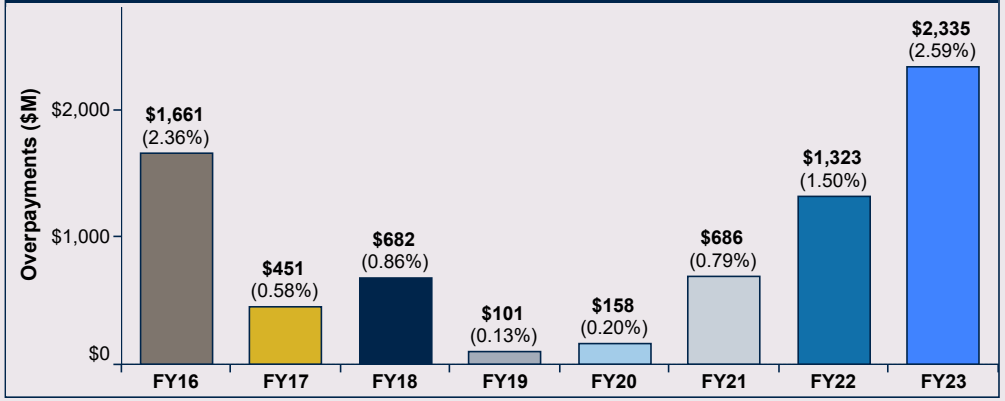
Health and Human Services

Centers for Medicare & Medicaid Services (CMS) Medicare Prescription Drug Benefit (Part D)

Brief Program Description & summary of overpayment causes and barriers to prevention:

Medicare Part D is a federal prescription drug benefit program for Medicare beneficiaries. The primary causes of overpayments are drug discrepancies (when the drug dispensed differs from the drug prescribed), drug pricing discrepancies (when the pricing on the drug prescribed differs from the pricing of the drug dispensed, commonly due to dosing issues), and insufficient documentation to determine whether payment was proper or improper. The agency contracts with Part D Sponsors who are responsible for administering the program, which includes the accuracy of data and support for payment purposes and validation. A known barrier to preventing improper payments is that sponsors' compliance with requirements is outside of the agency's control.

Historical Payment Rate and Amount ($M) (Overpayment as Percentage of Total Outlays)



Discussion of Actions Taken in the Preceding Quarter and Actions Planned in the Following Quarter to Prevent Overpayments

In Quarter 1, CMS conducted audits of Part D plan sponsors, with a focus on drugs at high risk of overpayment. These audits aim to educate Part D plan sponsors on issues of fraud, waste, and abuse, as well as to identify, reduce, and recover overpayments. As a result, CMS distributed letters to all Part D plans for the Transmucosal Immediate-Release Fentanyl (TIRF) audit, and instructed plans to delete all improper Prescription Drug Event records, returning payments to the Medicare Trust Fund.

	Accomplishments in Reducing Overpayment	Date
1	Conducted an Opioid Mission with 4 plan sponsors, OIG, PPI MEDIC, I-MEDIC, and CMS. This mission focused on Opioid best practices and fraud schemes and trends. The mission was held at the Atlanta Regional Office.	Oct-23
2	Completed the Transmucosal Immediate-Release Fentanyl (TIRF) audit for drugs prescribed to beneficiaries for purposes other than medically accepted indication.	Dec-23
3	Released Part D quarterly reports (Pharmacy Risk Assessment, Drug Trend Analysis, and Prescriber Risk Assessment) to plan sponsors to assist with fraud, waste, and abuse.	Dec-23

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	Goals towards Reducing Overpayments	Status	ECD
1	Continue formal outreach to plan sponsors for invalid/incomplete documentation. Outreach efforts to Part D sponsors help reduce administrative or process errors made on drugs, drug prices, and documentation that lead to overpayments by identifying discrepancies and correcting them. CY21 final discrepancies were distributed to plan sponsors in December 2023.	On-Track	Jan-24
2	Provide national training conference on payment and data submission with detailed instructions as part of the improper payment estimation process for Part D sponsors on January 24, 2024. The conference occurs prior to the sample submission window, and covers a variety of topics such as overview of improper payment requirements, clinical review process, examples of acceptable documentation, how to submit documents, etc.	On-Track	Jan-24

	Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1	Recovery Audit	Conduct trend analysis and audit drugs that have a high likelihood that coverage is available under Part A or B, coverage is excluded from Part D, or the drug is not used in a medically accepted indication. Audits result in recovery of overpayments and/or industry education.	Conducted audits of Part D plan sponsors, with a focus on drugs at high risk of overpayment. Audits aim to educate Part D plan sponsors on issues of fraud, waste, and abuse, as well as to identify, reduce, and recover overpayments.
2	Recovery Audit	Issue close out notices for the Transmucosal Immediate-Release Fentanyl (TIRF) audit requiring plan sponsors to delete any Prescription Drug Event records determined to be inappropriate under Medicare Part D, resulting in recovery of these payments to the program.	Close out letters for the TIRF audit and instructed plans to delete all improper Prescription Drug Event records, resulting in recovery of these payments to Medicare Part D.

Amt($)	Root Cause of Overpayment	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
$2,335M	Overpayments outside the agency control that occurred because of a Failure to Access Data/Information Needed.	The primary causes of overpayments are drug discrepancies (drug dispensed differs from the drug prescribed), drug pricing discrepancies (pricing for drug prescribed differs from the pricing for drug dispensed, commonly due to dosing issues), and insufficient documentation.	Training – teaching a particular skill or type of behavior; refreshing on the proper processing methods.	Outreach efforts to Part D sponsors and expanded education help reduce administrative or process errors made on drugs, drug prices, and documentation that lead to overpayments by identifying discrepancies that can be corrected before the submission window closes.