

DEPARTMENT OF HEALTH & HUMAN  
SERVICES  
Centers for Medicare & Medicaid Services  
Center for Medicare  
7500 Security Boulevard  
Baltimore, Maryland 21244-1850



**Center for Medicare  
Medicare Plan Payment Group**

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DATE: October 29, 2015

TO: All Part D Plan Sponsors, including PACE Organizations

FROM: Cheri Rice, Director  
Medicare Plan Payment Group

SUBJECT: November 2015 Updates to the Drug Data Processing System

The Centers for Medicare & Medicaid Services (CMS) is announcing upcoming changes to the Drug Data Processing System (DDPS). The implementation date for these changes is November 8, 2015.

Prior to the implementation of these changes, CMS will post an updated prescription drug event (PDE) Edit Code Listing spreadsheet to the Customer Service and Support Center (CSSC) Operations website at <http://www.csscoperations.com>. Please submit questions regarding these updates to [PDEJan2011@cms.hhs.gov](mailto:PDEJan2011@cms.hhs.gov).

**Excluded Provider Edits**

CMS is modifying edit codes 789 and 790 from informational to reject edits and adding two new informational edits, with edit codes 793 and 794. These edits will be implemented beginning November 8, 2015 and will apply to all standard and non-standard PDEs, regardless of the date of service.

CMS will utilize the U.S. Department of Health and Human Services, Office of the Inspector General's, List of Excluded Individuals and Entities (LEIE) data to (1) reject PDEs for services rendered by a sanctioned provider that does not have an effective waiver, and (2) accept and issue informational edits for PDEs associated with sanctioned providers that do have a waiver in effect.

- Edit Code 789 will fire and the PDE will reject when the Prescriber ID is listed on the Office of Inspector General's List of Excluded Individuals and Entities and is not assigned an active sanctioned provider waiver.

- Edit Code 790 will fire and the PDE will reject when the Service Provider ID is listed on the Office of Inspector General's List of Excluded Individuals and Entities and is not assigned an active sanctioned provider waiver.
- Edit Code 793 will fire as an informational edit when the Prescriber ID is listed on the Office of Inspector General's List of Excluded Individuals and Entities and assigned an active sanctioned provider waiver.
- Edit Code 794 will fire as an informational edit when the Service Provider ID is listed on the Office of Inspector General's List of Excluded Individuals and Entities and assigned an active sanctioned provider waiver.

As with all informational edits, sponsors must ensure that the submitted PDE is accurate. In the case of informational edits 793 and 794, sponsors must re-evaluate whether the waiver is applicable for services associated with the PDE. If it is not, the sponsor must adjust or delete the PDE.

### **Update to Edit Code 671**

CMS is updating edit code 671 to:

1. Add a new bypass condition to edit code 671 to ensure that it is not issued for PDEs submitted by employer group waiver plans (EGWPs) and Patient Liability Reduction Due to Other Payer (PLRO) amount that is greater than zero.
2. Modify an existing bypass condition to consider negative Non-covered Plan Paid Amount (NPP) such that edit code 671 is not issued when (1) True Out of Pocket (TrOOP) Accumulator + Delta TrOOP is equal to out of pocket threshold (OOPT), and (2) PLRO amount that is greater than zero or NPP is not equal to zero.

These updates will be implemented beginning November 8, 2015 and will apply to all standard and non-standard PDEs, with a date of service of January 1, 2011 through December 31, 2013.