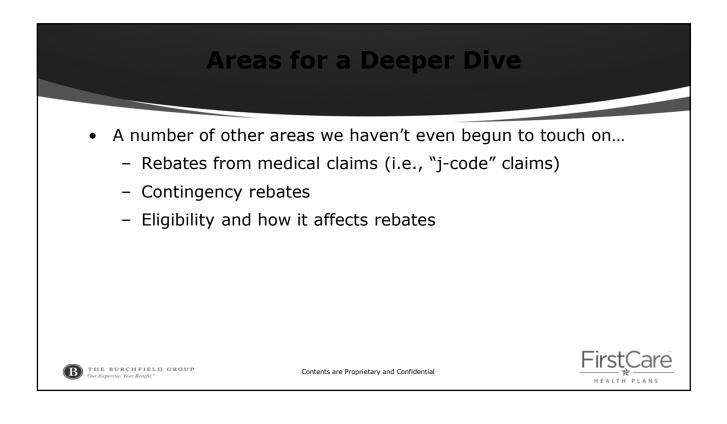
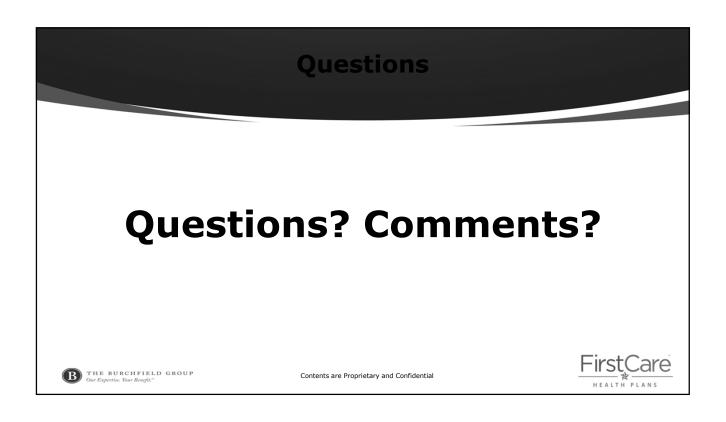


Areas for a Deeper Dive
Complex DIR allocation rules
 Every PBM, and sometimes every Sponsor, has different interpretation of CMS rules and no one wants to change a process until CMS directly intervenes
 Example: Suppose arrangement is the PBM passes through 100% of rebates to a Sponsor. Suppose, at the time of DIR reporting, the PBM has <u>received</u> rebates, but has <u>not yet disbursed</u> to the Sponsor. Where should they be reported?
– DIR Field #1 – "received and not passed through to the Sponsor"?
– DIR Field #3 – "received and passed through to the Sponsor"?
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Key Takeaways CMS may penalize Sponsors in 2017 based on 1/3 audit results ٠ Don't postpone auditing and monitoring Common areas you should "shore up" before CMS arrives - Financial controls - Auditing and monitoring for errors between PDEs/Claims/DIR There are some deeper areas CMS could dig into ٠ - 340B - DIR reporting complexities - Claim inclusions/exclusions Jare -Irst(B THE BURCHFIELD GROUP Contents are Proprietary and Confidential HEALTH PLANS



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