

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



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MEMORANDUM

TO: All Part D Plan Sponsors

FROM: Gary Bailey, Deputy Director for Plan Policy and Operations

RE: 30 Day Billing Limit for Pharmacists and Beneficiaries

DATE: February 7, 2006

We want to again thank all the Part D plans for their willingness to work with CMS over the past month as we implement the Medicare prescription drug benefits for our beneficiaries. Through your work, we have provided prescription drugs to millions of Medicare beneficiaries.

We are working on various issues that we hope will continue to provide for smooth implementation of the benefit. Over the past week, pharmacists have begun to bill or to resubmit bills to Part D plans for claims that were lacking correct billing information. As they attempt this rebilling, pharmacists are encountering a 30 day billing limit placed by the Part D plan. That is, the Part D plan is again rejecting the drug claim as "too old" because it exceeds the 30 day limit.

There may also be beneficiaries who will need to request reimbursement from the plan for incorrect co-payment amounts or other payments they made that were incorrect.

Because of systems issues being encountered at CMS and at plans, we are requesting that plans not implement 30-day billing limits placed on pharmacists and beneficiaries. Instead, these edits should be relaxed to allow pharmacists to bill Part D plans for claims that are as old as 90 days. In addition, beneficiaries should have 90 days in which to provide documentation to the plan for any incorrect payments they may have made.

If you have any questions about this issue, please contact your account manager.

Thank you for your continued assistance with the implementation of the Part D benefit.