

Sent: Tuesday, June 15, 2021 4:21 PM
Subject: (Manufacturer Invoice Contacts) Delayed Medicaid Drug Program (MDP) Implementation Date for Manufacturers

Importance: High

Follow Up Flag: Follow up

Flag Status: Flagged

Dear Manufacturer Technical and Invoice Contacts:

Due to unforeseen circumstances, CMS has delayed the implementation of the Medicaid Drug Programs (MDP) system for manufacturers. Rather than launching this new system in July 2021, we are delaying the transition to MDP until after the production of the third quarter 2021 rebate file. The third quarter rebate cycle will be completed around November 5, 2021. More details on the transition to MDP for manufacturers will be forthcoming in the next few months.

In the interim, manufacturers will continue to report product and pricing data via the Drug Data Reporting for Medicaid (DDR) system and will continue to use existing file formats to report data to CMS. The current manufacturer file formats will continue to be used for manufacturer submitted data to CMS until MDP is available for manufacturer reporting of data.

The implementation date for states to begin using MDP to submit their state drug utilization data (SDUD) to CMS has not changed. States are still required to update their systems and be prepared to submit their second quarter 2021 (2Q2021) SDUD files to CMS using the new file formats in August 2021. In addition, please note that CMS will be sending the 2Q2021 Unit Rebate Amount (URA) and Unit Rebate Offset Amount (UROA) files to the states using the new file formats.

With the state and manufacturer MDP system implementation dates now four months apart, we suggest that manufacturers and states work closely together to establish agreed upon field lengths in order to ensure that the Reconciliation of State Invoice (ROSI), the Prior Quarter Adjustment Statement (PQAS) and the State Invoice are able to be sent and received without interruption during this interim period. Please note that the updated file formats for the ROSI, PQAS and State Invoice have been approved through the Paperwork Reduction Action (PRA) process with the Office of Management and Budget (OMB). As such, we are requesting that manufacturers consider utilizing the new file formats for the ROSI and the PQAS and that states begin using the new file format for the State Invoice beginning with the 2Q2021 rebate cycle.

Sincerely,
CMS MDR Operations

The information in this response is limited to and based upon the facts described in this email and any attachments provided and our understanding of the facts as described in the emails and attachments submitted. If a subsequent review by CMS, by the Office of Inspector General, or another authorized government agency determines or reveals that additional adjustments or revisions are necessary, the manufacturer is responsible for complying with that determination. This response cannot be considered an advisory opinion under section 1128D(b) of the Social Security Act, since only the Inspector General of the U.S. Department of Health and Human Services has been authorized to issue advisory opinions relating to health care fraud and abuse under that section. This response should not be interpreted as acquiescence by the Government to the arrangements described herein. Further, this response is not a release of any liability.