



## BENEFIT NEWS BRIEFS

### *Update On Medicare Part D Retiree Drug Subsidy Audits*

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In [Research Memo 2009-09](#), we wrote about the fact that the Centers for Medicare and Medicaid Services (CMS) has begun auditing group health plans (Plans or Plan) that participate in the Medicare Part D Retiree Drug Subsidy (RDS) program. Since that time such audits have proceeded. We wrote an update in [Benefit News Briefs 2011-15](#) and included a set of documents that were received by one reader as part of a Medicare Part D audit.

One reader who was more recently involved in a Part D audit for the 2008 Plan Year had the following words of wisdom for health plans to make surviving a Part D audit easier:

1. Keep all enrollment forms. You may need to supply the Fund enrollment form for each Participant. If you are missing enrollment forms, the auditors may accept the pension application form as a substitute.
2. Keep lists of everyone you send a Creditable Coverage Notice to each year.
3. Perhaps start including the most recent creditable coverage certificate in with a new participant mailing.

In this particular audit, the auditors were primarily concerned about: (1) everyone having an enrollment form (including widows), (2) proof that everyone had received a Creditable Coverage Notice, (3) proof from the eligibility system that the individuals were covered under the Plan, as well as in reviewing the SPDs, Plan Documents, contracts with any vendor involved and the pharmacy benefits offered by the Plan.

Our reader was kind enough to share three of the documents she received from the auditors. A copy of each of the three documents is available by "clicking" on the document name below. It would be a good use of time to perform a self-audit of your Plan's Part D compliance by using these questions as a roadmap, as well as reviewing the materials in [Benefit News Briefs 2011-15](#), also listed below.

The three documents (with identifiers redacted) are:

- *Entrance Conference Agenda (12 questions)*
- *Questions About Creditable Coverage Notices (CCNs) (18 questions)*
- *Status Meeting – Pre-exit Agenda (4 items)*

The six documents listed in *Benefit News Briefs 2011-15* are:

- *Authorized Representative Representation Letter*
- *Authorized Representative Assertion Letter*
- *Document Request List*
- *Planning Survey Questionnaire*
- *Supplement To Planning Survey Questionnaire -- Plan Sponsor Key Personnel Contact List*
- *Supplement To Planning Survey -- Third Party Vendor Contact List*

This collection of nine documents asks for detailed information and representations about the health plan's involvement in the Part D subsidy and proof of compliance with distribution of CCNs. Health plan administrators participating in the Medicare Part D retiree prescription drug subsidy should read over the documents and take steps to verify the availability of the requested documents and information and then put this *Benefit News Brief* and attachments, *Research Memo 2009-09* and *Benefit News Briefs 2011-15* in their Part D compliance file.

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