

# RDS

## Retiree Drug Subsidy Payment

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## CENTERS FOR MEDICARE & MEDICAID SERVICES

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0977. The time required to complete this information collection is estimated to average 151 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

## I. Payment

### ***A. Payment Setup - User Selects Plan Sponsor and Application for which to complete payment setup.***

1. Account Manager Privileges
  - a) \*Privilege
    - (1) Report Costs
    - (2) Request Payment
    - (3) View Only
  - b) Cost Reporting Method
    - (1) Mainframe
    - (2) Data Entry
    - (3) RDS Secure Web Site Upload
    - (4) Not Applicable
  - c) Benefit Options assigned for cost reporting
    - (1) Unique Benefit Option ID
    - (2) Not Applicable
2. Vendor Privileges and Assignments
  - a) \*Do you want to specify one or more Vendors to report costs for this application? Yes/No
  - b) Vendor ID
  - c) Benefit Options assigned to Vendor
    - (1) Unique Benefit Option ID
3. Designee Privileges and Assignments
  - a) \*Do you want to assign Payment Request or Cost Reporting Privileges to Designee(s)? Yes/No
  - b) Does the Designee exist on the application?
    - (1) Yes: Designee Name
    - (2) No: E-mail address
  - c) Provide the following Designee Information if the Designee is not currently a RDS Secure Web Site user.
    - (1) First Name
    - (2) Middle Initial
    - (3) Last Name
    - (4) E-mail Address
    - (5) Pass Phrase
  - d) Designee Privilege
    - (1) Report Costs
    - (2) Request Payment
    - (3) View Costs
    - (4) View Payment Requests
    - (5) View All
  - e) Vendor ID
  - f) Designee Cost Reporting Method
    - (1) Mainframe
    - (2) Data Entry
    - (3) RDS Secure Web Site Upload
    - (4) Not Applicable
  - g) Benefit Options assigned to the Designee for cost reporting

## (1) Unique Benefit Option ID

4. Authorized Representative Verification form
  - a) \*Reason for Submission
  - b) \*Authorized Representative's Name
  - c) \*Authorized Representative's Title
  - d) \*Plan Sponsor Name
  - e) \*Plan Sponsor ID
  - f) \*Verifier's Name
  - g) \*Verifier's Job Title
  - h) \*Verifier's E-mail Address
  - i) \*Verifier's Telephone Number
  - j) \*Verifier's Company Address
  - k) \*Date that the form was completed
  - l) \*Verifier's Signature
5. Vendor and Plan Sponsor Mainframe Registration
  - a) Which of the following best describes your role in the RDS program?
    - (1) Plan Sponsor
    - (2) Vendor submitting on behalf of the Plan Sponsor
  - b) Plan Sponsor or Vendor ID:
  - c) \*Application Number:
  - d) \*Technical Contact Name
  - e) \*Technical Contact E-mail Address
  - f) \*Technical Contact Telephone Number
  - g) SNA or IP AGNS Account Information
    - (1) \*Account ID
    - (2) \*Network ID or NODEID
    - (3) \*APPLID or Registered IP Address
    - (4) \*NDM NodeID or Subnet Mask
  - h) Retiree List
    - (1) Production File Name
    - (2) Production Instructions
    - (3) Test File Name
    - (4) Test Instructions
  - i) Weekly Retiree Notification Files
    - (1) Production File Name
    - (2) Production Instructions
    - (3) Test File Name
    - (4) Test Instructions
  - j) Cost Reporting Method
    - (1) Mainframe
    - (2) Data Entry
    - (3) RDS Secure Web Site Upload

**B. Cost Data**

6. Cost Data Submitted via data entry on the RDS Secure Website.
  - a) User selects
    - (1) \*Plan Sponsor ID
    - (2) \*Application ID
    - (3) \*Unique Benefit Option ID
    - (4) \*Plan Month

- b) The following data elements are entered
  - (1) Estimated Premium Costs
  - (2) Gross Retiree Costs
  - (3) Threshold Reduction
  - (4) Limit Reduction
  - (5) Estimated/Actual Cost Adjustment

7. Cost Data Submitted in a File Format

- a) \*File Header
  - (1) Record Type
  - (2) Submitter Type
  - (3) Plan Sponsor ID or Vendor ID
  - (4) File Creation Date
  - (5) File Creation Time
- b) \*Application Header
  - (1) Record Type
  - (2) Application ID
- c) \*Benefit Option Detail
  - (1) Record Type
  - (2) Unique Benefit Option Identifier
  - (3) Plan Month
  - (4) Estimated Premium Costs
  - (5) Gross Retiree Costs
  - (6) Threshold Reduction
  - (7) Limit Reduction
  - (8) Estimated Cost Adjustment
  - (9) Actual Cost Adjustment
- d) \*Application Trailer
  - (1) Application ID
  - (2) Record Count for the Application
  - (3) Total Estimated Premium Costs
  - (4) Total Gross Retiree Costs
  - (5) Total Threshold Reduction
  - (6) Total Limit Reduction
  - (7) Total Estimated Cost Adjustment
  - (8) Total Actual Cost Adjustment
- e) \*File Trailer
  - (1) Record Type
  - (2) Plan Sponsor ID or Vendor ID
  - (3) Application Count
  - (4) Grand Total Estimated Premium Costs
  - (5) Grand Total Gross Retiree Costs
  - (6) Grand Total Threshold Reduction
  - (7) Grand Total Limit Reduction
  - (8) Grand Total Estimated Cost Adjustment
  - (9) Grand Total Actual Cost Adjustment

### ***C. Interim Payment Request***

- 8. Select
  - a) \*Plan Sponsor ID
  - b) \*Application ID
- 9. For each Unique Benefit Option ID(within the Application) with reported costs:

- a) \*Has a Payment Requester Reviewed Costs for the Benefit Option? Yes/No
- b) \*Should this Benefit Option be Included in the Payment Request? Yes/No
- 10. Payment Agreement (Reference Part I Section D.)
- 11. \*Do you accept the Payment Agreement? Yes/No
- 12. \*Electronic Signature

## **D. Payment Agreement**

Payment is contingent on compliance with the Plan Sponsor Agreement and with Retiree Drug Subsidy (RDS) program requirements, including the applicable laws, regulations and guidance issued by CMS.

Authorized Payment Requester, on behalf of the Plan Sponsor, agrees that:

1. CMS is authorized to initiate payment, credit entries and other adjustments, such as offsets and requests for payment, in accordance with the provisions of 42 CFR § 423 Subpart R and applicable provisions of 45 CFR Part 30, to the account at the financial institution (hereinafter the "Depository") indicated under the Electronic Funds Transfer (EFT) section of the Plan Sponsor application. Plan Sponsor agrees to immediately pay back any overpayment or debt upon notification from CMS of the overpayment or debt. , Plan Sponsor agrees to promptly update any changes in its Depository information.

2. Under authority of 42 CFR §423.888(c), officers, employees and contractors of the U.S. Department of Health & Human Services (DHHS), including the Office of Inspector General (OIG), may use information collected under the RDS Program only for purposes of, and to the extent necessary in, carrying out their responsibilities under 42 C.F.R. § 423 Subpart R including, but not limited to, determination of payments and payment-related oversight and program integrity activities, or as otherwise required by law. This restriction does not limit OIG authority to conduct audits and evaluations necessary for purposes of 42 C.F.R. §423 Subpart R or other authority.

3. Under authority of 42 CFR §423.888(d) the Plan Sponsor or its designee, must maintain and furnish to CMS or the OIG upon request, the records enumerated in 42 CFR 423.888(d)(3) and (4) (Records). The Records must be maintained for 6 years after the expiration of the plan year in which the costs were incurred for the purposes of audits or other oversight activities conducted by CMS to assure the accuracy of the actuarial attestation and the accuracy of payments. Plan Sponsor acknowledges that CMS or the OIG may extend the 6-year Record retention requirement in the event of an ongoing investigation, litigation, or negotiation involving civil, administrative or criminal liability. Plan Sponsor agrees that it must maintain the Records longer than 6 years if it knows or should know that the Records are the subject to ongoing investigation, litigation or negotiation involving civil, administrative or criminal liability.

I, the undersigned Authorized Payment Requester, on behalf of the Plan Sponsor, declare that I have examined this Interim Payment Request and certify that the information contained in this Interim Payment Request is true, accurate and complete to the best of my knowledge and belief, and I authorize CMS to verify this information. I understand that, because payment of a subsidy will be made from Federal funds, any false statements, documents, or concealment of a material fact is subject to prosecution under applicable Federal and/or State law.

## ***E. Reconciliation and Single Annual Payment***

13. Select
  - a) \*Plan Sponsor ID
  - b) \*Application ID
14. Step 1: Initiate Reconciliation
  - a) \*Are you ready to proceed with reconciliation for final payment determination? Yes/No
  - b) \*Do you acknowledge the instructions and warning? Yes/No
  - c) \*Confirmation
15. Step 2: Review Payment Setup
  - a) \*Do you accept the Payment Setup Options? Yes/No
16. Step 3: Request List of Covered Retirees
  - a) \*Request Covered Retiree List? Yes/No
17. Step 4: Finalize Covered Retirees
  - a) \*Select Download Covered Retiree List? Yes/No
  - b) \*Select File Name to download
  - c) \*Acknowledge PHI Agreement? Yes/No
  - d) \*Do you agree with the list of covered retirees and their associated coverage periods? Yes/No
  - e) \*Confirmation
18. Step 5: Start Preparation of Reconciliation Payment Request
  - a) \*Do you want to open final cost reporting? Yes/No
19. Step 6: Manage Submission of Final Cost Reports
  - a) \*Do you want to close final cost reporting? Yes/No
  - b) \*Confirmation
20. Step 7: Review Final Costs
  - a) \*Mark Benefit Option Review complete individually or may select all.
  - b) \*Have you completed reviewing costs for all Benefit Options? Yes/No
  - c) \*Confirmation
21. Step 8: Enter Revisions to Final Cost Data
  - a) \*Do you have revisions to make? Yes/No
  - b) Select Benefit Option with Revised Cost Data and provide:
    - (1) Reason for Revisions
      - (a) \*Coordination of Individual Retiree Costs? Yes/No
      - (b) \*Direct Rebates? Yes/No
      - (c) \*Other? Yes/No
      - (d) \*Explanation
    - (2) Revised Gross Retiree Cost
    - (3) Revised Threshold Reduction
    - (4) Revised Limit Reduction
    - (5) Revised Actual Cost Adjustment
  - c) Confirmation
22. Step 9: Finalize Reconciliation Payment Request
  - a) \*Are you ready to finalize the reconciliation payment request? Yes/No
  - b) \*Do you acknowledge the instructions and warnings? Yes/No

## c) \*Confirmation

23. Step 10: Review Electronic Funds Transfer (EFT) Information (Change necessary elements or confirm existing data)

a) \*Do you agree to the existing EFT banking information? Yes/No

b) Account Information

(1) Bank Name

(2) Account Type

(3) Company Name Associated with Account

(4) Account Number:

(5) Bank Routing Number:

c) Bank Contact

(1) First Name

(2) Middle Initial

(3) Last Name

(4) Telephone

(5) Fax

(6) E-mail Address

d) Bank Address

(1) Street Line 1

(2) Street Line 2

(3) City

(4) State

(5) Zip Code

e) \*Confirmation

24. Step 11: Approve Electronic Funds Transfer (EFT) Information

a) Do you accept or reject the EFT information entered in Step 10?  
Accept/Reject

25. Step 12: Review and Submit Reconciliation Payment Request

a) Payment Request Review

(1) \*Do you acknowledge the instructions and warnings? Yes/No

(2) \*Do you want to approve or reject the Final Payment Request?  
Approve/Reject

b) Payment Authorization

(1) \*Reconciliation Agreement (Reference Part I Section F.)

(2) \*Do you accept the Reconciliation Agreement? Yes/No

(3) \*Electronic signature

c) \*Confirmation

## ***F. Reconciliation Agreement***

Payment is contingent upon compliance with the Plan Sponsor Agreement and with Retiree Drug Subsidy (RDS) program requirements, including the applicable laws, regulations and guidance issued by CMS.

The Authorized Representative, on behalf of the Plan Sponsor, agrees that:

1. CMS is authorized to initiate payment, credit entries and other adjustments, such as offsets and requests for payment, in accordance with the provisions of 42 CFR §423 Subpart R and applicable provisions of 45 CFR Part 30, to the account at the financial institution (hereinafter the "Depository") indicated under the Electronic Funds Transfer (EFT section) of the plan Sponsor application. Plan sponsor agrees to immediately pay

back any overpayment or debt upon notification from CMS of the overpayment or debt. Plan Sponsor agrees to promptly update any changes in its Depository information.

2. Under authority of 42 CFR §423.888(c), officers, employees, and contractors of the U.S. Department of Health & Human Services (DHHS), including the Office of Inspector General (OIG), may use information collected under the RDS Program only for purposes of, and to the extent necessary in, carrying out their responsibilities under 42 C.F.R. §423 Subpart R including, but not limited to, determination of payments and payment-related oversight and program integrity activities, or as otherwise required by law. This restriction does not limit OIG authority to conduct audits and evaluations necessary for purposes of 42 C.F.R. §423 Subpart R or other authority.

3. Under authority of 42 CFR 423.888(d) the Plan Sponsor or its designee must maintain and furnish to CMS or the OIG upon request, the records enumerated in 42 CFR 423.888(d)(3) and (4) (Records). The Records must be maintained for 6 years after the expiration of the plan year in which the costs were incurred for the purposes of audits or other oversight activities conducted by CMS to assure the accuracy of the actuarial attestation and the accuracy of payments. Plan Sponsor acknowledges that CMS or the OIG may extend the 6-year Record retention requirement in the event of an ongoing investigation, litigation, or negotiation involving civil, administrative or criminal liability. Plan Sponsor agrees that it must maintain the Records longer than 6 years if it knows or should know that the Records are the subject to ongoing investigation, litigation or negotiation involving civil, administrative or criminal liability.

**Obtaining Federal Funds:** Plan Sponsor acknowledges that the information furnished in its retiree drug subsidy Reconciliation Payment Request is being provided to obtain Federal funds. Plan Sponsor certifies that it requires all subcontractors, including plan administrators, to acknowledge that information provided in connection with the subcontract is used for purposes of obtaining Federal funds. Plan Sponsor acknowledges that payment of a subsidy is conditioned on the submission of accurate information. Plan Sponsor agrees that it will not knowingly present or cause to be presented a false or fraudulent claim. Plan Sponsor acknowledges that any overpayment made to the Plan Sponsor under the RDS program, or any debt that arises from such overpayment, may be recovered by CMS

26. I, the undersigned Authorized Representative of Plan Sponsor, declare that I have examined this Plan Sponsor Reconciliation Payment Request and certify that the information contained in this Reconciliation Payment Request is true, accurate and complete to the best of my knowledge and belief, and I authorize CMS to verify this information. My signature legally and financially binds the Plan Sponsor to the laws, regulations and other guidance applicable to the RDS program (including, but not limited to, 42 C.F.R. §423 Subpart R) and all other applicable laws and regulations. . I understand that, because payment of a subsidy will be made from Federal funds, any false statements, documents, or concealment of a material fact is subject to prosecution under applicable Federal and/or State law.

## II. Appeals

### ***A. Reconsideration and Subsequent Appeal Levels***

27. Informal Written Reconsideration  
a) \*Application number



- b) \*Findings or issues the Plan Sponsor disagrees with (i.e., the initial determination).
  - c) \*Reason(s) for disagreement
  - d) \*Refer to the "sent" date on the e-mail notification of the adverse initial determination. Is the "sent" date within 15 calendar days of today's date? Yes/No
  - e) \*Will you be sending additional documentary evidence? Yes/No
  - f) Additional Documentary Evidence
  - g) Additional Documentary Evidence Cover Sheet
28. Informal Hearing
- a) \*Provide copy of CMS' RDS Center's reconsideration decision
  - b) \*Specify the findings or issues in the decision with which the Plan Sponsor disagrees and the reasons for the disagreements
  - c) \*Plan Sponsor's Supporting Statement
29. Review by the Administrator
- a) \*Request for review by administrator

## ***B. Reopening***

- 30. \*Application number
- 31. \*Initial Determination that is the subject of the request for reopening
- 32. \*Reason for the Request
- 33. Additional documentary evidence
- 34. Additional documentary evidence cover sheet