

**MEDICAID DRUG REBATE PROGRAM**  
**RECONCILIATION OF STATE INVOICE (ROSI)**  
**Form CMS-304**

**INSTRUCTIONS**

Effective: July 1, 2021

The ROSI (Form CMS-304) is to be used only to respond to the state's invoice for current quarter utilization.

Labelers use the ROSI in the following instances:

- When disputing invoiced units.
- When the state invoice contains zero Unit Rebate Amounts (URAs).

Labelers must remit accurate rebate payments; therefore, the current URA must be applied to the units being paid. Labelers use the ROSI to report the correct URA to the state within 30 days of receiving the state's current quarter invoice. In addition, labelers should send any pricing corrections to CMS.

Labelers may submit the ROSI in hard copy form or electronically. However, if a state cannot accept an electronic ROSI, we expect the labeler to submit it in a hard copy format.

The adjustment and dispute codes found in the Adjustment and Dispute Codes for CMS 304/304a document are used for both the ROSI and the PQAS. We expect labelers to select at least one adjustment or dispute code per NDC, and labelers may use several if necessary. Some codes may be appropriate for either situation. In addition, some codes require supporting documentation; however, supporting documentation can always be submitted, even for those instances where it is not specifically mentioned.

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**RECONCILIATION OF STATE INVOICE (ROSI)**  
**Form CMS-304**

**DATA DEFINITIONS**

Effective: July 1, 2021

**RECORD 1 – ROSI:**

**Record ID:** Constant of “R1” for “ROSI 1”.

**Labeler Name:** Name of labeler as it appears on the signed rebate agreement. Alpha-numeric values; first 25 letters of labeler name; left-justified; blank-filled.

**Labeler Code:** The first segment of the National Drug Code (NDC) that identifies the labeler. Numeric values; 5-digit field; right-justified; zero-padded.

**Period Covered:** Current quarter and year. Numeric values; 5-digit field; format: QYYYY; no blanks.

Valid Values for P:

- 1 = January 1 - March 31
- 2 = April 1 - June 30
- 3 = July 1 - September 30
- 4 = October 1 - December 31

Valid Values for YYYY: 4-digit calendar year equal to 1991 or later.

**Labeler Contact:** Labeler’s Invoice contact. Alphabetic values; 20-character field; left-justified; first name and last name separated by 1 blank.

**Phone:** Labeler’s Invoice contact phone number. Numeric values; 14-digit field; 10-digit area code and phone number; 4-digit extension or blanks.

**Email:** Labeler’s Invoice contact email address. Alpha-numeric values; 50-digit field.

**State Code:** State postal abbreviation. Alphabetic values; 2-character field; no blanks.

**Invoice Number:** If no invoice number, blank-filled. Alpha-numeric values; 10-digit field; right-justified.

**Date:** Date ROSI was generated. Numeric values; 8-digit field; format: MMDDYYYY; no blanks.

**RECORD 2 - ROSI:**

**Record ID:** Constant of “R2” for “ROSI 2”.

**Labeler Code:** The first segment of the National Drug Code (NDC) that identifies the labeler. Numeric values; 5-digit field; right-justified; zero-padded.

**Product Code/Package (Column A):** The second and third segments of the NDC. Alpha-numeric values; 6-digit field; right-justified; zero-padded.

**FDA Product Name (Column B):** First 10 characters of product name as approved by and/or listed with the FDA. Alpha-numeric values; 10-digit field; left-justified; blank-filled.

**FFS/MCO Record ID (Column C):** Constant of “FFSU” or “MCOU”: The FFSU Record ID indicates that the information for this NDC represents a Fee-For-Service record. The MCOU Record ID indicates that the information for this NDC represents a Managed Care Organization record. 4-digit field; no blanks.

Valid Values:

Within or earlier than 4Q2009 = Constant Record ID of FFSU

Within or later than 1Q2010 = FFSU & MCOU

**Unit Rebate Amount (URA) (Column D):** CMS-calculated URA as shown on the state invoice. Numeric values; 15-digit field: 8 whole numbers, the decimal point (‘.’) and 6 decimal places; zero-padded; right-justified.

**Adjusted Unit Rebate Amount (Column E):** URA if adjusted from the amount in the URA field or blank if not applicable. (The Adjustment Code field must be annotated.) Numeric values; 15-digit field: 8 whole numbers, the decimal point (‘.’) and 6 decimal places; right-justified. Calculate to five decimal places and round to four, pad positions 5 & 6 with zeros.

**Units Invoiced (Column F):** The total units reimbursed as shown on the invoice. Numeric values; 16-digit field: 12 whole numbers, the decimal point (‘.’) and 3 decimal places; right-justified; zero-padded.

**Adjusted Units (Column G):** Adjusted units preceded by a + or – based on labeler and state agreement. Annotate Adjustment Code field if adjusted units are present. Numeric values; 17-digit field: the plus (+) or minus (-) symbol, 12 whole numbers, the decimal point (‘.’) and 3 decimal places; right-justified; blank-filled if not applicable.

**Labeler Disputed Units (Column H):** Disputed units. Numeric values; 16-digit field: 12 whole numbers, the decimal point (‘.’) and 3 decimal places; right-justified; zero-padded.

**Units Paid (Column I):** Number of units paid after calculating adjustments and disputes. Numeric values; 16-digit field: 12 whole numbers, the decimal point (‘.’) and 3 decimal places; right-justified; zero-padded.

**Adjustment Code(s) (Column J):** Adjustment explanation(s). Alphabetic values; 3-character field. Valid values per attached list of codes. Up to 3 Adjustment Codes per NDC; blanks for fewer than 3 codes.

**Dispute Code(s) (Column K):** Dispute explanation(s). Alphabetic values; 3-character field. Valid values per attached list of codes. Up to 3 Dispute Codes per NDC; blanks for fewer than 3 codes.

**Rebate Amount Invoiced (Column L):** The total rebate amount the State Medicaid Agency has billed the labeler for the period covered for this 11-digit NDC. Numeric values; 16-digit field: 13 whole numbers, the decimal point (‘.’) and 2 decimal places; right-justified; zero-padded.

**Invoice Correction Amount (+ or -) (Column M):** Adjusted invoice amount based on any adjustments or disputes. Numeric values preceded by a + or -; 17-digit field: the plus (+) or minus (-) symbol, 13 whole numbers, the decimal point (‘.’) and 2 decimal places; right-justified; zero-padded.

**Withheld Invoice Amount (Column N):** Rebate amount withheld based on any adjustments or disputes. Numeric values; 16-digit field: 13 whole numbers, the decimal point (‘.’) and 2 decimal places; right-justified; zero-padded.

**Rebate Amount Paid (Column O):** Total rebate amount paid for the NDC in the period covered. Numeric values; 16-digit field: 13 whole numbers, the decimal point (‘.’) and 2 decimal places; right-justified; zero-padded.

### **RECORD 3 - ROSI:**

**Record ID:** Constant of “R3” for “ROSI 3”.

**Labeler Code:** The first segment of the National Drug Code (NDC) that identifies the labeler. Numeric values; 5-digit field; right-justified; zero-padded.

**Totals (Bottom Row of Chart):** Add totals for each column. Use parameters for each column total as described for each field above.

**Plus Interest Payment:** Total amount of interest paid with this invoice. Numeric values; 16-digit field: 13 whole numbers, the decimal point (‘.’) and 2 decimal places; right-justified; zero-padded.

**Total Remittance:** Total rebate amount paid for all NDCs, including any interest payment. Numeric values; 16-digit field: 13 whole numbers, the decimal point (‘.’) and 2 decimal places; right-justified; zero-padded.