Manufacturer Payment Confirmation Procedures

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Introduction

The Third Party Administrator (TPA) will distribute the Coverage Gap Discount Program (CGDP) reports to the manufacturers on a quarterly cycle. These reports will be loaded to a SFTP mailbox for them to download and review. The purpose of this procedure document is to outline the details the TPA will use to distribute, process, and validate the CGDP reports with the Manufacturers.

Manufacturers

Manufacturers are required to pay invoices in full within 38 calendar days following the report distribution. Manufacturers are required to confirm their payments with the TPA within 5 business days after making payments to the Part D Sponsors.

Creating the Payment Confirmation Report

Manufacturers

The manufacturer must return a Payment Confirmation report to the TPA after making all of the payments to the Part D Sponsors. The Payment Confirmation is created by converting the Manufacturer Invoice report file. The steps to complete this process can be done using a text editor program such as Notepad®, WordPad® etc… The instructions for the Manufacturers to complete a payment confirmation report can be found at the link listed below:

Payment Confirmation Report Overview

## TPA Processing of the Payment Confirmation Report

When the payment confirmation report is received by the TPA, a payment confirmation response report will be generated and returned to the manufacturer.   The payment confirmation response report will let the manufacturer know if the payment confirmation report was accepted, discrepant, or rejected by the TPA. The TPA will perform two levels of edits on each confirmation.   The first level of edits will perform data integrity checks.   All confirmations that pass the data integrity checks will be edited a second time to verify the payment confirmation amounts.

- Accepted payment confirmation response reports will not list any errors and will let the manufacturer know the confirmation was processed successfully by the TPA.

- Rejected payment confirmation response reports will list errors due to missing/invalid information in the confirmation.   The manufacturer must make the corrections to the confirmation and resend it to the TPA.

- Discrepant payment confirmation response reports will list errors due to differing amount totals than what was originally invoiced by the TPA.   The manufacturer must return a complete confirmation after the final payment is made. The TPA will generate compliance reports based on a final action process.   The compliance reports will be generated using the last confirmation file received from the manufacturer.   The manufacturer needs to ensure all of the data that was on the previous confirmation report is included on the subsequent confirmation reports.

Note - There will not be any grace periods given to the Manufacturers for rejected/discrepant payment confirmation reports. Manufacturers will be required to receive an accepted response report for their payment confirmation to avoid any compliance violations.

The TPA will run two cycles Monday – Friday to process any payment confirmation reports. The cycles will run at 9:00 A.M. and at 4:00 P.M. ET. The cycles will return all of the payment confirmation response reports to the manufacturer's mailboxes.

Manufacturer CGDP Process Flowchart
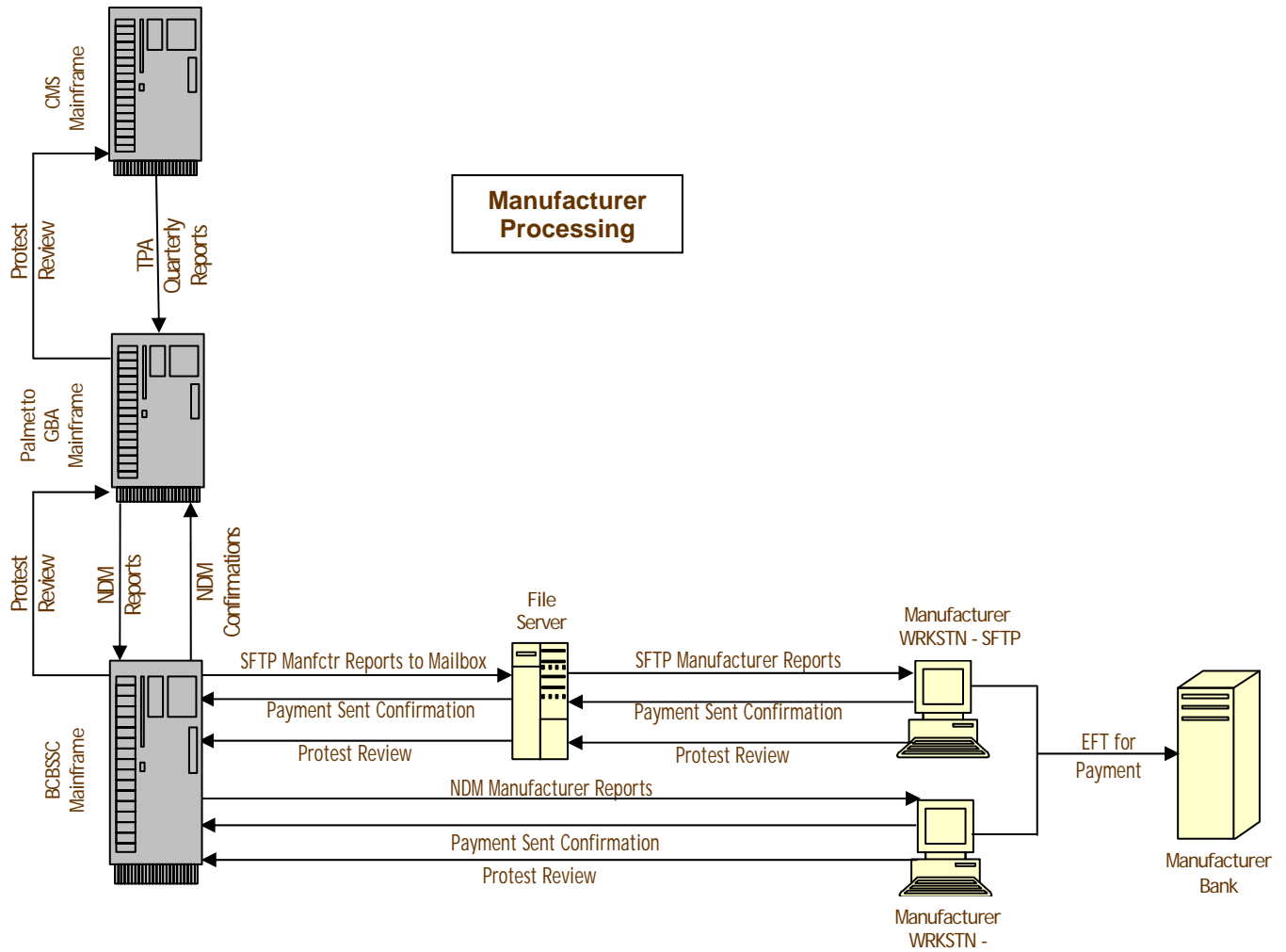
Sample Mailbox Screenshots

The TPA is the maintainer of the SFTP mailbox server for Manufacturers. Direction of the data flow is in accordance of the maintainer. This is why manufacturer's will pull all of the TPA reports from their OUTBOUND folders and return all of their TPA reports in their INBOUND folders.

Name ▲	Size	Type	Date Modified	Attributes	
R0859122.RPT.MANUF_INVO...	3 KB	MANUF_INVOICE File	3/3/2011 9:03 AM	A	
R0859339.RPT.MANUF_DETAIL	16 KB	MANUF_DETAIL File	3/3/2011 9:03 AM	A	
RPT00000.RPTMANUF_DETAIL	2 KB	RPTMANUF_DETAIL...	1/26/2011 1:23 PM	A	

Manufacturer OUTBOUND Mailbox Folder

The TPA will load the manufacturer's OUTBOUND folders with all of the available report types using the following formats:

> All reports will be prefixed with R#######.RPT. The ####### is a sequence number assigned by the TPA to catalog unique filenames.

> The ENDING of each file name will be one of the following:

- MANUF_INVOICE – This file will contain the INVOICE report
- MANUF_DETAIL – This file will contain the DATA report
- EFTID_INFO – This file will contain the EFT File
- MANUF_RESP – This file will contain the payment confirmation response report
- MANUF_DISPUTE_RETURN – This file will contain the acknowledgement from CMS of the dispute.   This file will notify the manufacturer if there were any errors with the dispute file or if CMS accepted the dispute to research the resolution of the dispute.
- MANUF_DISPUTE_RESOLUTION – This file will contain the CMS resolution of the manufacturer's dispute after CMS has completed the dispute research.

Name ▲	Size	Type	Date Modified	Attributes	
R0859122.RPT.MANUF_CONFIRM	3 KB	MANUF_CONFIRM File	3/3/2011 9:03 AM	A	

Manufacturer INBOUND Mailbox Folder

The manufacturer will return any reports using the INBOUND Folder.

> All reports will be prefixed with R#######.RPT. The ####### is a sequence number assigned by the TPA to catalog unique filenames.

> The ENDING of each file name will be one of the following:

- MANUF_CONFIRM – This file will contain the payment confirmation report
- MANUF_DETAIL – This file will contain the dispute file.

Sample Manufacturer Null File

If a manufacturer is not invoiced for the reporting period, a null report will be generated by the TPA. The null report confirms that the manufacturer did not get an invoice for the quarter. No further action is required.

PPPPP CCYYMMDD * * * No data received for this quarters report * * *

Legend	
PPPPP	Manufacturer P-number.
CCYYMMDD	The date the TPA distributed the reports to the manufacturer.

Payment Confirmation Report Layouts

The TPA has posted all of the file layouts on the web. The manufacturer's confirmation report layout can be found at the link listed below:

Manufacturer Payment Confirmation Report

Sample Payment Confirmation Response Reports

Accepted Payment Confirmation Response Report

```
REPORT: TPA-RESPM        THIRD PARTY ADMINISTRATOR
RUN DATE: CCYYMMDD          TPA RESPONSE REPORT

MANUFACTURER ID: XXXXXX PNUMBER: PPPPP
REPORT PD: YYYYQQ FILE ID: AAAAA STATUS: ACCEPTED RECEIPT OF THE REPORT
```

Simple Rejected Payment Confirmation Response Report

If the manufacturer header or trailer (TPAMH TPAMT) records are in error a Rejected Payment Confirmation report will be issued. The report will not display any sequence numbers after the record type. This is because these records only occur once in the confirmation report.

```
REPORT: TPA-RESPM        THIRD PARTY ADMINISTRATOR
RUN DATE: CCYYMMDD          TPA RESPONSE REPORT

MANUFACTURER ID: XXXXXX PNUMBER: PPPPP
REPORT PD: YYYYQQ FILE ID: AAAAA STATUS: REJECTED RECEIPT OF THE REPORT

RECORD    TPACH              ERROR      ERROR DESCRIPTION
  TYPE    SEQ NO             CODE
TTTTT                         EEEE        DDDDDD
```

Complex Rejected Payment Confirmation Response Report

If the manufacturer contract header or contract trailer records are in error a Rejected Payment Confirmation report will be issued. The report will display the sequence numbers from the previous TPACH record read that is in error.

```
REPORT: TPA-RESPM        THIRD PARTY ADMINISTRATOR
RUN DATE: CCYYMMDD        TPA RESPONSE REPORT

MANUFACTURER ID: XXXXXX PNUMBER: PPPPP
REPORT PD: YYYYQQ FILE ID: AAAAA STATUS: REJECTED RECEIPT OF THE REPORT

RECORD    TPACH              ERROR      ERROR DESCRIPTION
  TYPE    SEQ NO             CODE
TTTTT    9999999            RRRR        DDDDDD
.
.            "It is possible to have multiple errors issued for one confirmation report"
.
TTTTT    9999999             RRRR        DDDDDD
```

Discrepant Payment Confirmation Response Report

```
REPORT: TPA-RESPM        THIRD PARTY ADMINISTRATOR
RUN DATE: 20110531         TPA RESPONSE REPORT

MANUFACTURER ID: XP9898 PNUMBER: P9898
REPORT PD: 201101 FILE ID: 10MPC STATUS: DISCREPANT RECEIPT OF THE REPORT

RECORD    TPACT              ERROR      ERROR DESCRIPTION
  TYPE    SEQ NO             CODE
TPACT    0000001            E012        CONFIRMED PAYMENT AMT <> INVOICE PAYMENT AMT
TPAMT                       E012        CONFIRMED PAYMENT AMT <> INVOICE PAYMENT AMT
```

TPA Error Codes

Note: Some errors below can be issued against multiple record types. The record type is not listed in these errors because the response report will list which record type is in error. For example error E004, this error can be issued if the file id in any of the records TPAMH, TPACH, TPACT, or TPAMT is incorrect. The response report will list which of these record types did not contain the correct file id.

Reject Code	Error Code Description	Failure Outcome
E001	INVALID REPORT PD	Reject
E002	REPORT PD IN TPAMT RECORD DOES NOT MATCH THE TPAMH	Reject
E003	REPORT PD IN TPACT RECORD DOES NOT MATCH THE TPACH	Reject
E004	INVALID FILE ID	Reject
E005	INVALID "P" NUMBER	Reject
E007	NO DATE ENTERED/INVALID, OR DATE IS > CURRENT DATE	Reject
E008	PAYMENT AMOUNT NOT NUMERIC	Reject
E009	INVALID CONTRACT	Reject
E010	INVALID RECORD TYPES IN FILE.	Reject
E011	MISSING RECORD TYPES IN FILE.	Reject
E012	CONFIRMED PAYMENT AMT <> INVOICE PAYMENT AMT	Discrepant
E013	DUPLICATE CONFIRMATION REPORT ALREADY CONFIRMED	Reject
E015	CONFIRM DATE PRECEDES INVOICE REPORT DISTRIBUTION DATE	Reject
E016	TPAMT TOTAL NOT EQUAL TO TOTAL OF ALL TPACT RECORDS	Reject

Payment Confirmation Response Report Record Layout

The following layouts have been provided for the manufacturer's convenience, if the manufacturer chooses to automate processing of their payment confirmation response report.   Please refer to Appendix A for the record layouts of the report.

APPENDIX A – Payment Confirmation Record Layouts

First Line

FIELD NO	FIELD NAME	POSITION	PICTURE	LENGTH	DEFINITION / VALUES
1	LINE1-LITERAL	1 – 8	X(8)	8	This field will contain the value REPORT:
2	LINE1-VALUE	9 – 17	X(9)	9	This field will contain the value TPA-RESPM
3	FILLER	18 – 27	X(10)	10	Spaces
4	LINE1-TITLE	28 – 52	X(25)	25	This field will contain the value THIRD PARTY ADMINISTRATOR
5	FILLER	53 – 100	X(48)	48	Spaces

Second Line

FIELD NO	FIELD NAME	POSITION	PICTURE	LENGTH	DEFINITION / VALUES
1	LINE2-LITERAL	1 – 10	X(10)	10	This field will contain the value RUN DATE:
2	LINE2-DATE	11 – 18	X(8)	8	CCYYMMDD
3	FILLER	19 – 31	X(13)	13	Spaces
4	LINE2-TITLE	32 – 50	X(19)	19	This field will contain the value TPA RESPONSE REPORT
5	FILLER	51 – 100	X(50)	50	Spaces

Third Line

FIELD NO	FIELD NAME	POSITION	PICTURE	LENGTH	DEFINITION / VALUES
1	FILLER	1 – 100	X(100)	100	Spaces

Fourth Line

FIELD NO	FIELD NAME	POSITION	PICTURE	LENGTH	DEFINITION / VALUES
1	LINE4-LITERAL-1	1 – 17	X(17)	17	MANUFACTURER ID:
2	LINE4-MAILBOX-ID	18 – 23	X(6)	6	This field will contain the Mailbox ID that was used to return the report to the TPA.
3	FILLER	24 – 24	X(1)	1	Spaces
4	LINE4-LITERAL-2	25 – 34	X(10)	10	This field will contain the value PNUMBER:
5	LINE4-HDR-REC-ID	35 – 39	X(5)	5	This field will contain the Pnnnn from the TPAMH record.
6	FILLER	40 – 100	X(61)	61	Spaces

Fifth Line

FIELD NO	FIELD NAME	POSITION	PICTURE	LENGTH	DEFINITION / VALUES
1	LINE5-LITERAL-1	1 – 11	X(11)	11	This field will contain the value REPORT PD:
2	LINE5-CURRENT-REPORTING-PERIOD	12 – 17	X(6)	6	This field will contain the CURRENT REPORTING PERIOD from the TPAMH.
3	FILLER	18	X(1)	1	Spaces
4	LINE5-LITERAL-2	19 – 27	X(9)	9	This field will contain the value FILE ID:
5	LINE5-FILE-ID	28 – 32	X(5)	5	This field will contain the FILE ID from the TPAMH.
6	FILLER	33 – 33	X(1)	1	Spaces
7	LINE5-LITERAL-3	34 – 41	X(8)	8	This field will contain the value STATUS:
8	LINE5-RESP-MSG	42 – 52	X(11)	11	This field will contain the value ACCEPTED, DISCREPANT, or REJECTED to inform the Manufacturer or Sponsor what the TPA did with the confirmation report.
9	FILLER	53 – 53	X(1)	1	Spaces
10	LINE5-RESP-MSG-LITERAL	54 – 74	X(21)	21	This field will contain the value RECEIPT OF THE REPORT
11	FILLER	75 – 100	X(26)	26	Spaces

Note about Lines 6 through the end of the report:
The following lines do not exist in the report unless the TPA has found a rejection or discrepancy processing the confirmation report.   If the confirmation is ACCEPTED the RESPONSE report will end at line 5. Line 9 will repeat for every Reject Code issued by the TPA.

Sixth Line

FIELD NO	FIELD NAME	POSITION	PICTURE	LENGTH	DEFINITION / VALUES
1	FILLER	1 – 100	X(100)	100	Spaces

Seventh Line

FIELD NO	FIELD NAME	POSITION	PICTURE	LENGTH	DEFINITION / VALUES
1	LINE7-HEADING-1	1 – 6	X(6)	6	This field will contain the value RECORD
2	FILLER	7 – 12	X(6)	6	Spaces
3	LINE7-HEADING-2	13 – 17	X(5)	5	This field will contain the value TPACH or TPACT if the report is discrepant.
4	FILLER	18 – 37	X(20)	20	Spaces
5	LINE7-HEADING-4	38 – 42	X(5)	5	This field will contain the value ERROR
6	FILLER	43 – 48	X(6)	6	Spaces
7	LINE7-HEADING-5	49 – 65	X(17)	17	This field will contain the value ERROR DESCRIPTION
8	FILLER	66 – 100	X(35)	35	Spaces

Eighth Line

FIELD NO	FIELD NAME	POSITION	PICTURE	LENGTH	DEFINITION / VALUES
1	LINE8-HEADING-1	1 – 6	X(6)	6	This field will contain the value TYPE
2	FILLER	7 – 12	X(6)	6	Spaces
3	LINE8-HEADING-2	13 – 18	X(6)	6	This field will contain the value SEQ NO
4	FILLER	19 – 36	X(18)	18	Spaces
5	LINE8-HEADING-4	37 – 40	X(4)	4	This field will contain the value CODE
6	FILLER	41 – 100	X(60)	60	Spaces

Ninth Line

FIELD NO	FIELD NAME	POSITION	PICTURE	LENGTH	DEFINITION / VALUES
1	LINE9-RECORD-TYPE	1 – 5	X(5)	5	This field will contain the RECORD TYPE of the record that was REJECTED by the TPA.
2	FILLER	6 – 12	X(7)	7	Spaces
3	LINE9-BATCH-SEQ-NO	13 – 19	X(7)	7	This field will contain the sequence number of the TPACH record before the record that was rejected by the TPA. Or spaces if the rejected record is a TPAMH or TPAMT record.
4	FILLER	20 – 37	X(18)	18	Spaces
5	LINE9-ERROR-CODE	38 – 41	X(4)	4	This field will contain the REJECT CODE issued by the TPA.
6	FILLER	42 – 47	X(6)	6	Spaces
7	LINE9-ERROR-DESCRIPTION	48 – 77	X(30)	30	This field will contain the REJECT CODE Description issued by the TPA.
8	FILLER	78 – 100	X(23)	23	Spaces