The Medicare Retiree Drug Subsidy ("RDS") application and follow-up tasks are complex, time-consuming, and constantly changing. Part D Advisors ("PDA") can relieve retiree prescription drug plan sponsors of the burden of multiple service providers and the risk of miscommunications, incompatibility, delays and other headaches.

Retiree Drug Subsidy – Application & Payment Process Responsibilities

Activity	Part D Advisors	Prospective Client	Pharmacy Claim Vendors
OVERALL PROCESS			
Identify # of Benefit Options ("BOs") within a Group Health Plan ("GHP")	✔	Supply data to PDA	Supply full data to PDA
Identify Retired Medicare Eligible Individuals ("RMEIs")	✔		
• Continually update eligibility	✔		
Provide actuary for Gross & Net Test Attestations	✔		
Obtain eligibility & claims data	✔		
• Coordinate Monthly individual eligibility & claims data (NCPDP File)	✔		Supply full data to PDA
• 12-month eligibility & claim data for final reconciliation	✔		Supply full data to PDA
• Monitor eligibility & claim data for final reconciliation	✔		
• Receive & incorporate CMS' weekly eligibility updates	✔		
Monitor RDS requirements and deadlines	✔		
SETUP ACCOUNT ON RDS WEBSITE			
Register GHP and Plan Sponsor with RDS	✔		
Be designated as Account Manager ("AM")	✔		
• Designate Authorized Representative ("AR"), Actuary & Designees	✔		
INITIAL APPLICATION			
As AM, complete Sections 1-4 and 6-8 of application	✔		
As AM, upload retiree census data to RDS web site	✔		
Actuary completes Section 5 of application	✔		
AR reviews application and signs Section 9 of application		✔	
Complete annual renewal process	✔		
PAYMENT REQUEST ACTIVITIES – For Each Month (Actual Claims)			
Complete payment set-up	✔		
Receive monthly claim information (individual claims) (NCPDP File)	✔		
Adjust claims and filter for Non-Part D Drugs	✔		
Adjust claims for Estimated Rebates	✔		
Register as Cost Reporter ("CR")	✔		
Register as Payment Requester ("PR")	✔		
Calculate subsidy amount for each RMEI	✔		
Calculate subsidy amount in the Aggregate for all RMEIs	✔		
As PR, submit Subsidy Payment Request (w/updated eligibility)	✔		
As CR or PR, handle RDS denials, inquiries & responses	✔		
COMPLETE ANNUAL RECONCILIATION 12 STEP PROCESS			
Finalize covered retirees	✔		
Manage Final Cost Reports	✔		
• Compile final rebate data	✔	Supply data to PDA	Supply full data to PDA
Finalize reconciliation payment request	✔		
AR reviews reconciliation payment request and signs (Section 12)		✔	
COMMUNICATION			
Draft & mail annual CMS Model Creditable Coverage Notices to MEIs	✔		
• Answer simple MEI questions	✔		
Monitor impact of RDS and CMS announcements	✔		
RECORDKEEPING FOR 6 YEARS			
For all applications and payment requests	✔		
Actuarial reports/studies	✔		
Provide assistance for any audits	✔		