

CENTER FOR HEALTH INFORMATION AND ANALYSIS

Data Specification Manual

957 CMR 2.00:
Payer Reporting of Prescription Drug Rebates

April 2020

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Summary of Changes

- Updated file submission schedule. Please note change in deadlines.
- Added Front tab with contact information and data quality questions

Introduction

M.G.L. c. 12C, § 16(a) requires that the Center for Health Information and Analysis (CHIA) “publish an annual report based on the information submitted under sections 8, 9 and 10 ... [and] compare the costs and cost trends with the health care cost growth benchmark established by the health policy commission.”

Effective July 1, 2016, M.G.L. c. 12C, § 16(a) is amended to require that CHIA “consider the effect of drug rebates and other price concessions in the aggregate without disclosure of any product or manufacturer-specific rebate or price concession information, and without limiting or otherwise affecting the confidential or proprietary nature of any rebate or price” when detailing cost growth trends in its annual report.

Pursuant to Administrative Bulletin 17-03, CHIA is requiring payers to submit a prescription drug rebate data file. This data will permit consideration of the effect of prescription drug rebates and other pharmaceutical manufacturer price concessions such as coverage gap discounts on aggregate cost growth trends. This Data Specification Manual provides additional technical details to assist payers in reporting and filing prescription drug rebate data. Prescription drug rebate files will contain different record types, including:

- Payer summary information and comments
- Member Months, by Massachusetts residency or approved approximation
- Gross Pharmacy Expenditures, by insurance category and brand status
- Prescription Drug Rebates, by insurance category and brand status
- Coverage Gap Discounts for Medicare business
- Pharmacy Benefit Manager (PBM) contract summary information

File Submission Instructions and Schedule

Payers shall complete and submit to CHIA two data templates as part of the prescription drug rebate data reporting. The first template, the “Rebate Data Template”, will contain all aggregate member month, expenditure, prescription drug rebate, and coverage gap discount data. The second template, the “PBM Contract Data Template”, will contain summary information on each payer’s PBM contracts. Payers can find both data submission templates available on CHIA’s website at the following location: <http://www.chiamass.gov/prescription-drug-rebate-data-submission>. Payers shall submit this information on an annual basis. In 2020, payers will submit prescription drug rebate data for CYs 2018 and 2019.

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For 2020 data reporting, CHIA will publish prescription drug rebate data at the aggregate level (e.g., total by brand status and insurance category) and will not publish prescription drug rebate data at the payer or pharmacy benefit manager (PBM) level.

If a payer is unable to report any data elements included in this data specification, the payer must notify CHIA in writing (email notification is sufficient). The payer should exhaust all opportunities to obtain the required data elements from their pharmacy benefit manager (PBM) before submitting notification to CHIA. In such instances, CHIA will work with the payer to develop modified data specifications that accommodate the payer's data limitations and allow CHIA to fulfill its statutory obligations.

Payers shall submit prescription drug rebate information in accordance with regulation 957 CMR 2.00 on the following schedule:

Prescription Drug Rebate Filing Schedule	
Date	Files Due
Wednesday, September 16, 2020	Prescription Drug Rebate Data <ul style="list-style-type: none">• CY 2018 Final• CY 2019 Preliminary

Payers shall submit Excel files with prescription drug rebate data via email. Data should be submitted to Erin.Bonney@MassMail.State.MA.US. Payers should copy their regular CHIA contact for TME data submissions when submitting the prescription drug rebate information. Additional information on file submission conventions can be found in Appendix A.

Following submission of the prescription drug rebate data, a payer's Chief Financial Officer or equivalent must sign and return the data verification statement provided in Appendix B of this Data Specification manual to CHIA within ten days. A payer's filing is not complete until the data verification statement has been received by CHIA.

Data Submission

Overview

In accordance with M.G.L. c. 12C, § 16(a) and Administrative Bulletin 17-03, payers must report prescription drug rebate information at an aggregate level. Unlike TME reporting, payers are not required to submit prescription drug rebate information at either the physician group or zip code

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levels. A payer’s filing is not complete until both rebate data and PBM contract data have been successfully submitted to CHIA.

Rebate Data Specifications

The payer is expected to submit prescription drug rebate data within the CHIA Prescription Drug Rebate Submission 2020 excel template. Below is a description of each field.

Field #DR001: Payer Org ID: The CHIA-assigned organization ID for the payer or carrier submitting the file.

Field #DR002: Payer Name: The name of the payer or carrier submitting the file.

Field #DR003: Insurance Category: The insurance category that is being reported. Payers shall report for all insurance categories for which they have business. Payers reporting under the “Other” category will be asked in quality assurance to identify the type of insurance reflected in this category. Note the excel template includes a drop down menu and will only allow the insurance categories shown in the table below.

Insurance Category
Commercial
Medicare Advantage
Standalone Medicare Prescription Drug Plan
Medicaid
Senior Care Options (SCO)
One Care
Program of All-Inclusive Care for the Elderly (PACE)
Other

Field #DR004: Calendar Year: The payer must report whether data is for CY 18 or CY 19. The excel template will include a drop down menu and will only allow these years to be reported.

Field # DR005: Member Population: Payers must define the population of covered members for all data provided in this data filing as members that are Massachusetts residents or as members covered under policies situated in the state of Massachusetts. If payers are not able to report data solely for one of these populations, they must notify CHIA in writing (email notification is sufficient) and propose a different member population definition for CHIA approval. Alternative

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populations may include but are not limited to all covered members. The excel template includes a drop- down menu which allows the insurer to choose either MA Resident or MA Situs. Payers should only include information pertaining to members for which they are the primary payer, and exclude information for members for which they were the secondary or tertiary payer.

Field #DR006: Member Months: The number of members receiving primary health insurance coverage by a plan over the specified period of time expressed in months of membership. The member months provided in this field should correspond to the patient population identified in Member Population. All members in the defined member population must be counted in the member month value. There is no threshold for reporting based on the total member months in a given member population or insurance category.

Please note that for the Commercial insurance category, payers should only report on those members for whom they have complete pharmacy expenditure and prescription drug rebate information. Any members for which a payer has no pharmacy expenditure or prescription drug rebate data, or partial pharmacy expenditure or prescription drug rebate data, should be excluded from this data reporting. As a result, all member month, pharmacy expenditure, and prescription drug rebate data for excluded members should be excluded from this data filing.

Field #DR007: Gross Pharmacy Expenditure Amount: Total: Total allowed incurred pharmacy claims for the requested population and calendar year. Pharmacy claims should only include those claims administered under the pharmacy benefit. In addition, this field should include member cost sharing. The effects of rebates and Medicare coverage gap discounts should not be reflected in this field. That is, pharmacy expenditures must be “grossed up” for pharmacy rebates (including point of sale rebates) and Medicare coverage gap discounts. To calculate member & insurer pharmacy liability (“net pharmacy claims”), CHIA will subtract the reported pharmacy rebates and Medicare coverage gap discounts from this field.

Field #DR008: Gross Pharmacy Expenditure Amount: Specialty Drugs: A drug defined as a specialty drug under the terms of a payer's contract with its PBM. Specialty drug expenditure and rebate amounts should be mutually exclusive from non-specialty brand drug and non-specialty generic drug expenditure and rebate amounts.

Field #DR009: Gross Pharmacy Expenditure Amount: Non-Specialty Brand Drugs: A drug defined as a non-specialty brand drug under the terms of a payer's contract with its PBM. Non-specialty brand drug expenditure and rebate amounts should be mutually exclusive from specialty drug and non-specialty generic drug expenditure and rebate amounts.

Field #DR010: Gross Pharmacy Expenditure Amount: Non-Specialty Generic Drugs: A drug defined as a non-specialty generic drug under the terms of a payer's contract with its PBM.

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Non-specialty generic drug expenditure and rebate amounts should be mutually exclusive from specialty drug and non-specialty brand drug expenditure and rebate amounts.

Field #DR011: Prescription Drug Rebate Amount: Total: A rebate is the return of part of the purchase price by the seller to the buyer. The prescription drug rebates are generally paid by a pharmaceutical manufacturer to a Pharmacy Benefit Manager (PBM) who shares a portion of the rebate to the insurer. Rebates may also take the form of point of sale rebates¹. This field should reflect the rebates returned to the insurer and member. Reported rebates should include all price concessions made based on the utilization of certain drugs. Rebates returned back to the insurer and member may be returned in aggregate and not separated by insurance category. In these instances, we expect the insurer to allocate the rebate dollars using an allocation methodology such as by member months or percentage of claims. The allocation methodology should be described in Field #DR019.

Field #DR012: Prescription Drug Rebate Amount: Specialty Drugs: If the insurer is able to report rebates specific to specialty drugs, please report here.

Field #DR013: Prescription Drug Rebate Amount: Non Specialty Brand Drugs: If the insurer is able to report rebates specific to non-specialty drugs brand drugs, please report here.

Field #DR014: Prescription Drug Rebate Amount: Non-Specialty Generic Drugs: If the insurer is able to report rebates specific to non-specialty generic drugs, please report here.

Field #DR015: Coverage Gap Discounts (Medicare Only): Note insurer should only report data for Medicare products. The discount the drug manufacturer provides for brand drugs when a Medicare enrollee hits their coverage gap.

Field #DR016: Total Net Pharmacy Expenditures (Member and Insurer Pharmacy Liability): *This is a calculated field.* The template calculates this by subtracting rebates and coverage gap discounts from reported total pharmacy expenditures. (DR007-DR011-DR0015). The insurer should review for reasonability.

Field #DR017: Per Member Per Month Net Pharmacy Expenditure Amount (Insurer & Member Liability): *This is a calculated field.* The template calculates an allowed claims pharmacy PMPM which should reflect pharmacy claims paid by the insurer and member through member cost sharing. The insurer should review for reasonability. (DR016/DR006)

¹ POS rebates directly share with patients the discounts that PBMs negotiate with manufacturers.

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Field #DR018: Per Member Per Month Prescription Drug Rebate Amount: *This is a calculated field.* (DR011/DR006)

Field #DR019: Allocation Methodology: If rebate data is only available to an insurer at an aggregated level, the insurer is expected to allocate the rebates using an allocation methodology. The methodology could allocate based on member months, or percentage of claims, or some other method the insurer deems most appropriate. The insurer is expected to describe the methodology in this field.

Field #DR020: Comments: This is a field for the insurer to add comments to assist CHIA in evaluating and analyzing the reported data.

Field #DR021: Total Pharmacy Expenditure Amount Data Check: *This is a calculated field.* This field adds the components of gross pharmacy expenditure to ensure it equals the total: (DR008+DR009+DR010) = DR007. The insurer should review this and not submit if the check fails.

Data Elements:

Element	Data Element Name
DR001	Payer Org ID
DR002	Payer Name
DR003	Insurance Category
DR004	Calendar Year
DR005	Member Population
DR006	Member Months
DR007	Gross Pharmacy Expenditure Amount: Total
DR008	Gross Pharmacy Expenditure Amount: Specialty Drugs
DR009	Gross Pharmacy Expenditure Amount: Non-Specialty Brand Drugs
DR010	Gross Pharmacy Expenditure Amount: Non-Specialty Generic Drugs
DR011	Prescription Drug Rebate Amount: Total
DR012	Prescription Drug Rebate Amount: Specialty Drugs
DR013	Prescription Drug Rebate Amount: Non-Specialty Brand Drugs
DR014	Prescription Drug Rebate Amount: Non-Specialty Generic Drugs
DR015	Coverage Gap Discounts (Medicare Only)
DR016	Total Net Pharmacy Expenditure (Member and Insurer Pharmacy Liability)
DR017	Per Member Per Month Net Pharmacy Expenditure Amount (Insurer & Member Liability)
DR018	Per Member Per Month Prescription Drug Rebate Amount

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Element	Data Element Name
DR019	Allocation Methodology
DR020	Comments
DR021	Total Pharmacy Expenditure Amount Data Check

PBM Contract Data Specifications

Field #PBM001: Payer Org ID: The CHIA-assigned organization ID for the payer or carrier submitting the file.

Field #PBM002: Payer Name: The name of the payer or carrier submitting the file.

Field #PBM003: Pharmacy Benefit Manager Name: The name of a pharmacy benefit manager (PBM) that provided any of the following services in a given insurance category and calendar year: claims processing, drug formulary management, or manufacturer drug rebate contracting.

Field #PBM004: Insurance Category: The insurance category that is being reported. All available insurance categories are listed below. Payers shall report for all insurance categories for which they have business. Payers reporting under the “Other” category will be asked in quality assurance to identify the type of insurance reflected in this category.

Insurance Category
Commercial
Medicare Advantage
Standalone Medicare Prescription Drug Plan
Medicaid
Senior Care Options (SCO)
One Care
Program of All-Inclusive Care for the Elderly (PACE)
Other

Field #PBM005: Calendar Year: On or after January 1 and on or before December 31 for a given year.

Field #PBM006: Claims Processing: Payers should identify whether an individual PBM organization performed all, some, or none of the claims processing for its pharmacy benefit within a given insurance category and calendar year. Payers should enter one of three possible responses: All, Some, or None. If

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multiple PBMs provided claims processing services within a given insurance category and calendar year, payers should include a separate observation for each PBM and enter "Some" for claims processing in each observation.

Field #PBM007: Drug Formulary Management: Payers should identify whether an individual PBM organization performed all, some, or none of the drug formulary management for its pharmacy benefit within a given insurance category and calendar year. Payers should input one of three possible entries: All, Some, or None. If multiple PBMs provided a drug formulary management services within a given insurance category and calendar year, payers should include a separate observation for each PBM and enter "Some" for drug formulary management in each observation.

Field #PBM008: Manufacturer Drug Rebate Contracting: Payers should identify whether an individual PBM organization performed all, some, or none of the manufacturer drug rebate contracting for its pharmacy benefit within a given insurance category and calendar year. Payers should input one of three possible entries: All, Some, or None. If multiple PBMs provided contracting services within a given insurance category and calendar year, payers should include a separate observation for each PBM and enter "Some" for manufacturer drug rebate contracting in each observation.

Field #PBM009: Comments: Payers may use this field to provide any additional information or describe any data caveats for the PBM Contract Data submission.

Data Elements:

Element	Data Element Name
PBM001	Payer Org ID
PBM002	Payer Name
PBM003	Pharmacy Benefit Manager Name
PBM004	Insurance Category
PBM005	Calendar Year
PBM006	Claims Processing?
PBM007	Drug Formulary Management?
PBM008	Manufacturer Drug Rebate Contracting?
PBM009	Comments

Appendix A: File Submission Instructions

Please see pages following this section.

Appendix B: Payer Data Verification Statement

Please see pages following this section.

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Appendix A: File Submission Instructions

Data Submission Templates

Payers can find the rebate data and PBM contract data submission templates available on CHIA's website at the following location: <http://www.chiamass.gov/prescription-drug-rebate-data-submission>.

File Submission Naming Conventions

Prescription drug rebate data submissions should follow the following naming conventions:

PayerName_PrescriptionDrugRebates_Version.fileextension,

Where Payer Name is the payer name is identified in field DR002.

Version is **optional**, and indicates the submission number.

The file extension must be .xlsx, .xls, or .csv.

Below are examples of valid file names:

PayerA_PrescriptionDrugRebates.xlsx

PayerA_PrescriptionDrugRebates_1.csv

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Appendix B: Payer Data Verification Statement

I, _____, certify that I am authorized to submit the Prescription Drug Rebate data on behalf of _____ and that I have examined the data submission and all information necessary and relevant to the data submission, including information from third-parties, for the calendar years 2017, and 2018. I further certify that to the best of my knowledge and belief, the final version Prescription Drug Rebate data submitted by _____ are true, accurate, and complete and prepared in accordance with applicable regulations and instructions from the books and records of _____, except as noted.

This declaration is based upon all information of which I have knowledge.

Signed: _____

Printed Name: _____

Title: _____

Date: _____

*Please promptly email or fax this signed document to the **Center for Health Information and Analysis**.
Your submission is not considered complete until CHIA receives this certification.*

Email: Erin.Bonney@MassMail.State.MA.US

Fax: (617) 727-7662