

POLICY AND PROCEDURE	
Title: Prescription Drug Event (PDE) Management	
Primary policy owner: Pharmacy	Policy #: PH51
Impacted/Secondary policy owner: Select the department(s) that are responsible for compliance with all, or a portion of the policy or procedure as outlined	
1) <input type="checkbox"/> All Departments 2) <input type="checkbox"/> Behavioral Health & Social Services (BH/SS) 3) <input type="checkbox"/> Benefits Administration (BA) 4) <input type="checkbox"/> Case Management (CM) 5) <input type="checkbox"/> Claims (CLMS) 6) <input type="checkbox"/> Community Marketplace & Member Engagement (MAR) 7) <input type="checkbox"/> Compliance (CMP/HPA) 8) <input type="checkbox"/> Configuration (CFG) 9) <input type="checkbox"/> Provider Contracting (CONT) 10) <input type="checkbox"/> Cultural & Linguistics (CL) 11) <input type="checkbox"/> Customer Service (CS)	12) <input type="checkbox"/> Facilities (FAC) 13) <input checked="" type="checkbox"/> Finance (FIN) 14) <input type="checkbox"/> Human Resources (HR) 15) <input checked="" type="checkbox"/> Information Technology / Core Systems (IT) 16) <input checked="" type="checkbox"/> Pharmacy (PH) 17) <input type="checkbox"/> Provider Networks (PRO) 18) <input type="checkbox"/> QI Health Equity (GRV/HE/HEQ/PHM/QM) 19) <input type="checkbox"/> Utilization Management (UM) 20) <input type="checkbox"/> Procurement (PRM) 21) <input type="checkbox"/> Administration (SAF/BC/EM) 22) <input type="checkbox"/> Medical Management (MM)
Product Type: <input type="checkbox"/> Medi-Cal <input checked="" type="checkbox"/> D-SNP	Supersedes Policy Number: NA

I. PURPOSE

To ensure Health Plan of San Joaquin and Mountain Valley Health Plan ("Health Plan") is in compliance with all contractual requirements, applicable federal and state laws, and regulations for responding, preventing, reviewing, and investigating all reported and identified non-

compliance. Health Plan Workforce and Delegates develop and submit to Center for Medicare and Medicaid Services (CMS) Prescription Drug Events (PDEs) timely and accurately in compliance with federal and state regulations and other program requirements.

II. POLICY

- A. Health Plan must develop a Prescription Drug Events (PDEs) record for each Part D prescription drug dispensing event that reflects accurately: the claim status, cost, and benefit level based on Center for Medicare and Medicaid Services (CMS) requirements.
- B. Health Plan must submit the Prescription Drug Events (PDEs) to Center for Medicare and Medicaid Services (CMS) in a timely manner and must validate that they are complete and in the accurate format per Center for Medicare and Medicaid Services (CMS) requirements.
- C. Prescription Drug Events (PDEs) files must be generated and submitted to Center for Medicare and Medicaid Services (CMS) within 30 days of the date the claim was processed.
- D. Center for Medicare and Medicaid Services (CMS) response files from the Drug Data Processing System (DDPS) must be retrieved. These files are called Drug Data Processing System (DDPS) Transaction File and Drug Data Processing System (DDPS) Transaction Error Summary Report.
- E. Rejected records must be reviewed and corrected, then resubmitted to Center for Medicare and Medicaid Services (CMS) as new or adjusted Prescription Drug Events (PDEs) on the next schedule for Prescription Drug Events (PDEs) files, no later than 90 days of receipt of the rejected record.
- F. Center for Medicare and Medicaid Services (CMS) issued outlier reports (also called "tickets"), available via Acumen Prescription Drug Events

(PDEs)Analysis website, must be downloaded and appropriate action must be taken to correct issues (details in the Procedure section).

- G. Health Plan must track and trend Prescription Drug Events (PDEs)rejections to identify possible patterns for additional review and correction, if needed.

III. PROCEDURE

- A. Health Plan delegates Health Plan's Prescription Drug Events (PDEs)records development, submission and resubmission to the Pharmacy Benefit Manager (PBM).
- B. The Pharmacy Benefit Manager (PBM)performs the following:
1. Generates Prescription Drug Events (PDEsfiles using approved Part D claims data based on Center for Medicare and Medicaid Services (CMS)latest specifications.
 2. Performs initial audit to verify that the previous Prescription Drug Events (PDEs)cycle has been closed and validate the cycle sequence and the batches against the Health Plan contract ID.
 3. Validates file headers and trailers and verifies proper formatting and sequencing and then upload to Center for Medicare and Medicaid Services (CMS).
 4. Retrieves the Center for Medicare and Medicaid Services (CMS)response files from the Prescription Drug Front End System (PDFS) portal and loads the files into the Pharmacy Benefit Manager (PBM)database. These files are named:
 - a. Drug Data Processing System (DDPS)Transaction File Report.
 - b. Drug Data Processing System (DDPS)Transaction Error Summary Report.
 5. Uses the data in the Drug Data Processing System (DDPS)response files to generate and review Health Plan's rejection reports, these reports are named:
 - a. Contract
ID_cycle#_pde_error_summary_yymmddhhmmss.csv.
 - b. Contract
ID_cycle#_pde_error_summary_yymmddhhmmss.csv.

- c. Contract
ID_cycle#_pde_error_detail_yymmddhhmmss.csv.
 - d. Contract
ID_cycle#_pde_informational_detail_yymmddhhmmss.csv
 - 6. Interacts with Health Plan to ensure appropriate resolution of these errors.
 - 7. Resubmits corrected or adjusted Prescription Drug Events (PDEs) events on the next schedule of Prescription Drug Events (PDEs) submission.
- C. The Pharmacy Benefit Manager (PBM) manages any post-production outliers that are issued to the Acumen Prescription Drug Events (PDEs) Analysis website. These outliers are referenced as "Tickets."
- 1. Health Plan designates the Pharmacy Benefit Manager (PBM) Prescription Drug Events (PDEs) Team as a user of Acumen Prescription Drug Events (PDEs) Analysis website.
 - 2. The Pharmacy Benefit Manager (PBM) Prescription Drug Events (PDEs) Team downloads the Ticket and analyzes the issue.
 - 3. The Pharmacy Benefit Manager (PBM) Prescription Drug Events (PDEs) Team develops and provides Health Plan with a written response to the Ticket. The response is provided five business days before the response is due to Acumen.
 - 4. Health Plan reviews the response and make edits as necessary.
 - 5. Health Plan uploads responses to the Acumen Prescription Drug Events (PDEs) Analysis Website.
- D. The Pharmacy Benefit Manager (PBM) audits the Prescription Drug Events (PDEs) files and documents results in the Prescription Drug Events (PDEs) Documentation Audit Log. The audits occur throughout the Center for Medicare and Medicaid Services (CMS) cycle and include:
- 1. File Audit – validation of file submissions verifying the header and trailer data, batch header and trailer data, and claim detail sequence.
 - 2. Prescription Drug Events (PDEs) Record Audit – validation of randomly selected Prescription Drug Events (PDEs) records (to include New, Adjustment, and Deletion records) for correct population from source data fields.

3. Prescription Drug Events (PDEs) Member Audit – validation of member claim activity throughout the benefit year for a randomly selected member; verifying each month that claims are processing in the appropriate benefit phase based on the member's True-Out-of-Pocket (TrOOP) costs and Gross Covered Drug Cost, and that the financial fields on the Prescription Drug Events (PDEs) are correctly calculated.
- E. The Pharmacy Benefit Manager (PBM) Prescription Drug Events (PDEs) system processes retroactive Low Income Cost Sharing (LICS) claims based on Center for Medicare and Medicaid Services (CMS) guidelines:
1. For retroactive Low Income Cost Sharing (LICS) and claim adjustments that require refunds to beneficiaries, Health Plan adjusts the Patient Pay Amount on the claim and its associated Prescription Drug Events (PDEs), refunding the difference to the beneficiary.
 2. For retroactive changes that alter True-Out-of-Pocket (TrOOP) amounts, the appropriate cost sharing shall be applied on subsequent claims until the beneficiary has repaid the True-Out-of-Pocket (TrOOP) balance. In case there are no subsequent claims to restore the missing balance, the Pharmacy Benefit Manager (PBM) uses the True-Out-of-Pocket (TrOOP) adjustment process to adjust all of the affected Prescription Drug Events (PDEs) and provides a report to Health Plan to assist in the recovery of the overpayment from beneficiaries.
- F. To reduce the number of rejected Prescription Drug Events (PDEs) related to member eligibility, Health Plan's Eligibility Department reviews Center for Medicare and Medicaid Services (CMS) eligibility files in a timely manner and make all necessary eligibility changes.
- G. Health Plan's Information Technology (IT) Department uploads the eligibility files daily onto the Pharmacy Benefit Manager (PBM) system
- H. Health Plan:
1. Reviews all Prescription Drug Events (PDEs) Reject reports weekly and works with the Pharmacy Benefit Manager (PBM) to correct any errors.

2. Works with the Pharmacy Benefit Manager (PBM) Prescription Drug Events (PDEs) Analyst to review the Pharmacy Benefit Manager (PBM) Prescription Drug Events (PDEs) Documentation Audit Log and collaborate with the Pharmacy Benefit Manager (PBM) to correct any issues.
3. Reviews all Acumen Tickets and Pharmacy Benefit Manager (PBM) written responses in a timely manner, make edits, and upload responses to the Acumen Prescription Drug Events (PDEs) Analysis Website.
4. Tracks and trends Prescription Drug Events (PDEs) rejections to identify possible patterns for additional review and correction, if needed.

IV. ATTACHMENT(S)

- A. [Glossary of Terms Link](#)

V. REFERENCES

- A. Center for Medicare and Medicaid Services (CMS) Prescription Drug Event Participant Guide – 2011 Regional IT Technical Assistance
- B. Center for Medicare and Medicaid Services (CMS) Customer Service and Support Center (CSSC) Operations Prescription Drug Program (Part D) (www.csscooperations.com)
- C. Health Plan Contract with Centers for Medicare & Medicaid Services (CMS)
- D. State Medicaid Agency Contract (SMAC)

VI. REVISION HISTORY

Version*	Revision Summary	Date
001		
002		
003		
004		

Initial Effective Date: 09/24/2025
Published Date:09/29/2025

VII. Committee Review and Approval To Be Completed by Compliance

Committee Name	Version	Date
Compliance Committee	001	09/24/2025
<ul style="list-style-type: none"> Privacy & Security Oversight Committee 		
<ul style="list-style-type: none"> Program Integrity Committee 		
<ul style="list-style-type: none"> Audits & Oversight Committee 		
<ul style="list-style-type: none"> Policy Review Committee 		
Quality Improvement Health Equity Committee (QIHEC)		
<ul style="list-style-type: none"> Quality Operations Committee 		
<ul style="list-style-type: none"> Grievance Committee 		

VIII. REGULATORY AGENCY APPROVALS

Department	Reviewer	Version	Date
Department of Healthcare Services (DHCS)			
Department of Managed Care (DMHC)			



IX. Approval signature*

Signature	Name Title	Date
	PRC Chairperson	
	Policy Owner	
	Department Executive	
	Chief Executive Officer	

*Signatures are on file, will not be on the published copy