

Medicare Prescription Drug Inflation Rebate Program - Part B Reports

Overview

In accordance with section 1847A of the Social Security Act ("the Act"), manufacturers that increase the price for a Part B rebatable drug faster than the rate of inflation during an applicable calendar quarter are required to pay a rebate to the Federal Supplementary Medical Insurance Trust Fund no later than 30 days after receiving information on the rebate amount from CMS. Per [42 CFR § 427.501](#) and [42 CFR § 427.502](#), CMS will issue a Preliminary Rebate Report within 5 months of the end of the applicable calendar quarter, after which the manufacturer may submit a suggestion of error (SOE). For further details regarding the SOE process, please see [42 CFR § 427.503](#). CMS will then issue a Rebate Report within 6 months of the end of each applicable calendar quarter. The Rebate Report serves as an invoice for any rebate amount due for a Part B rebatable drug. Section 1847A(i)(1)(C) of the Act allows CMS to delay reporting for applicable calendar quarters in calendar years 2023 and 2024 until not later than September 30, 2025. The Rebate Report schedule for these applicable calendar quarters is described at [42 CFR § 427.502\(a\)](#).

As described at [42 CFR § 427.501\(d\)\(1\)](#), CMS will typically conduct one regular reconciliation of the rebate amount. For the applicable calendar quarters in 2023, CMS will not conduct a regular reconciliation of the rebate amount, as described at [42 CFR section § 427.502\(c\)\(1\)\(i\)](#). For the applicable calendar quarters in 2024, a Reconciliation Rebate Report will be issued within 9 months of the Rebate Report. For all other applicable calendar quarters, Reconciliation Rebate Reports will be issued within 12 months of the Rebate Report.

Notes

Values shown in cells are rounded for legibility and may not sum to totals, which are calculated using non-rounded numbers.

A value of '.' indicates that the value is not applicable or missing.

If a manufacturer wishes to submit an optional SOE, the SOE must be submitted within 10 days of receipt of a Preliminary Rebate Report or Reconciliation Preliminary Rebate Report, except for reports for the applicable calendar quarters in calendar years 2023 and 2024, for which any optional SOEs must be submitted within 30 days. Please see the Manufacturer Payment Portal (MPP) for an SOE aid form that may be populated to submit an SOE. Balances must be paid in the MPP by the due date stated in the portal (which will be 30 days after the date of receipt of a given report, per [42 CFR § 427.505\(a\)](#)).

Description	
Unique identifier	The number assigned to a manufacturer by CMS for purposes of the Medicare Prescription Drug Inflation Rebate Program. This value can either be a P number or an "L" followed by the labeler code.
Labeler code	The first segment of the National Drug Code that identifies the labeler.
Report type	The type of report. Possible values include: <ul style="list-style-type: none"> · Preliminary Rebate Report (see 42 CFR §§ 427.501(b), 427.502(c)(1), and 427.502(c)(2)) · Rebate Report (see 42 CFR §§ 427.501(c), 427.502(c)(1), and 427.502(c)(2)) · Reconciliation Preliminary Rebate Report (see 42 CFR §§ 427.501(d)(1)(i) and 427.502(c)(2)(ii)) · Reconciliation Rebate Report (see 42 CFR §§ 427.501(d)(1)(ii) and 427.502(c)(2)(ii))
Medicare program	The component of Medicare (Part B or Part D) to which the report type applies.
Manufacturer name	The manufacturer of the Part B rebatable drug.
Rebate year	The calendar year containing the applicable calendar quarter (defined at 42 CFR § 427.20). Calendar years are displayed as YYYY.
Applicable calendar quarter	The calendar quarter as defined at 42 CFR § 427.20 for which CMS calculates a Part B rebate amount for such quarter as described at 42 CFR § 427.301. Applicable calendar quarters are displayed as a single digit (1-4).
Billing and payment code	The specific code used to classify and report a drug or biological for purposes of Medicare Part B payment per 42 CFR § 427.20. A Healthcare Common Procedure Coding System (HCPCS) code, as established by CMS, is an example of a billing and payment code used to describe a drug or biological and for which CMS may publish a payment amount.
NDC-11(s)	A National Drug Code (NDC) is the unique identifying prescription drug product number that is listed with FDA identifying the product and package size and type, as described at 42 CFR § 427.20. This field uses the NDC-11 format of an NDC. There may be multiple NDC-11s in this field if the billing and payment code (for example, a HCPCS code) has more than one NDC-11 associated with the manufacturer receiving the report.
Total billing units	The total number of units as determined under 42 CFR § 427.303(b), after accounting for removals and exclusions of units.
Billing unit	The identifiable quantity of a drug or biological product associated with the billing and payment code (for example, a HCPCS code), as established by CMS and defined at 42 CFR § 427.20.
Proportion of manufacturer-reported ASP units	The proportion of units of the billing and payment code (for example, a HCPCS code) attributable to the associated manufacturer during the applicable calendar quarter as described at 42 CFR § 427.301(b) and 42 CFR § 427.301(c). The percent value is displayed as a decimal. For example, 25 percent is displayed as 0.25.
Payment amount benchmark quarter	The calendar quarter identified as set forth at 42 CFR § 427.302(c). Payment amount benchmark quarters are displayed as Q# [Year].

Payment amount benchmark quarter billing and payment code	The billing and payment code (for example, a HCPCS code) established by CMS for the Part B rebatable drug in the payment amount benchmark quarter.
Payment amount in the payment amount benchmark quarter	The amount calculated as described at 42 CFR § 427.302(d). CMS multiplies this value by the quotient of the applicable period CPI-U and the benchmark period CPI-U to calculate the inflation-adjusted payment amount as described at 42 CFR § 427.302(g).
Applicable calendar quarter specified amount	The specified amount for the applicable calendar quarter, as described at 42 CFR § 427.302(b). CMS compares this value to the inflation-adjusted payment amount to calculate the per unit rebate amount as described at 42 CFR § 427.302(a).
SOE response applicable calendar quarter specified amount	CMS' response to a manufacturer's SOE on the applicable calendar quarter specified amount, if applicable. This field is not present on the Preliminary Rebate Report or Reconciliation Preliminary Rebate Report.
Benchmark period CPI-U	The monthly Consumer Price Index for All Urban Consumers (United States city average) index level for all items from the Bureau of Labor Statistics as defined at 42 CFR § 427.20, for the month identified at 42 CFR § 427.302(e).
Benchmark period CPI-U date	The month and year of benchmark period CPI-U, as identified at 42 CFR § 427.302(e).
Rebate period CPI-U	The monthly Consumer Price Index for All Urban Consumers (United States city average) index level for all items from the Bureau of Labor Statistics as defined at 42 CFR § 427.20, for the month identified at 42 CFR § 427.302(f).
Rebate period CPI-U date	The month and year of the rebate period CPI-U, as identified at 42 CFR § 427.302(f).
Inflation-adjusted payment amount	The product of the payment amount in the payment amount benchmark quarter and the quotient of the rebate period CPI-U and the benchmark period CPI-U, as described at 42 CFR § 427.302(g). CMS compares this value to the inflation-adjusted payment amount to calculate the per unit rebate amount as described at 42 CFR § 427.302(a).
SOE response inflation-adjusted payment amount	CMS' response to a manufacturer's SOE on the inflation-adjusted payment amount, if applicable. This field is not present on the Preliminary Rebate Report or Reconciliation Preliminary Rebate Report.
Per unit rebate amount	The amount by which the applicable calendar quarter specified amount, as determined under 42 CFR § 427.302(b), exceeds the inflation-adjusted payment amount, as determined under 42 CFR § 427.302(g). If the applicable calendar quarter specified amount is equal to or lower than the inflation-adjusted payment amount, the per unit rebate amount is displayed as zero.

SOE response per unit rebate amount	CMS' response to a manufacturer's SOE on the per unit rebate amount, if applicable. This field is not present on the Preliminary Rebate Report or Reconciliation Preliminary Rebate Report.
Total rebate amount	The product of the per unit rebate amount, as determined under 42 CFR § 427.302, and the total billing units of the Part B rebatable drug furnished during the applicable calendar quarter, as set forth at 42 CFR § 427.303.
SOE response total rebate amount	CMS' response to a manufacturer's SOE on the total rebate amount, if applicable. This field is not present on the Preliminary Rebate Report or Reconciliation Preliminary Rebate Report.
Reason reduction applies	The underlying reason for the utilization of an applicable percent reduction, if applicable. In accordance with 42 CFR § 427.400, possible values include: 'Drug shortage', 'Drug shortage (plasma-derived)', 'Severe supply chain disruption', and 'Not applicable'.
Applicable percent reduction	The percent reduction applied due to shortage or severe supply chain disruption determination, as detailed at 42 CFR § 427.401 and 42 CFR § 427.402. The percent is displayed as a decimal. For example, 25 percent is displayed as 0.25. If there is no applicable percent reduction, the percent is displayed as 0.00.
Days reduction applies	The number of days during the applicable calendar quarter during which the drug was currently in shortage, for drugs for which the rebate amount is reduced due to currently being in shortage during the applicable calendar quarter as described at 42 CFR § 427.401, or the total number of days in the applicable calendar quarter, for drugs for which the rebate amount is reduced due to a severe supply chain disruption determination as described at 42 CFR § 427.402.
Rebate reduction amount	The product of the applicable percent reduction and the percentage of time drug was currently in shortage during the applicable calendar quarter, for drugs for which the rebate amount is reduced due to currently being in shortage during the applicable calendar quarter as described at 42 CFR § 427.401, or 75 percent of the total rebate amount for drugs for which the rebate amount is reduced due to a severe supply chain disruption determination as described at 42 CFR § 427.402.
Reduced total rebate amount	The rebate amount due after applying any applicable reduction due to shortage or a severe supply chain disruption determination, as described at 42 CFR § 427.401 and 42 CFR § 427.402. The reduced total rebate amount is equal to the total rebate amount if no reduction was applied.
SOE response reduced total rebate amount	CMS' response to a manufacturer's SOE on the reduced total rebate amount, if applicable. This field is not present on the Preliminary Rebate Report or Reconciliation Preliminary Rebate Report.

Rebate report reduced total rebate amount	The reduced total rebate as identified on the Rebate Report. This field is only present on the Reconciliation Preliminary Rebate Report and the Reconciliation Rebate Report.
Difference in rebate amount after reconciliation	The amount invoiced on the Reconciliation Rebate Report, calculated as the reduced total rebate amount minus the reduced total rebate amount on the Rebate Report. This field is only present on the Reconciliation Preliminary Rebate Report and the Reconciliation Rebate Report.
SOE response difference in rebate amount after reconciliation	CMS' response to a manufacturer's SOE on the difference in rebate amount after reconciliation, if applicable. This field is not present on the Preliminary Rebate Report, Rebate Report, or Reconciliation Preliminary Rebate Report.
SOE response general	CMS' response to a manufacturer's SOE not otherwise displayed in another field, if applicable. This field is not present on the Preliminary Rebate Report or Reconciliation Preliminary Rebate Report.
SOE date received	CMS date of receipt of SOE, if applicable. This field is only present on the Rebate Report and Reconciliation Rebate Report.
SOE time received	CMS time of day of receipt of SOE, if applicable. This field is only present on the Rebate Report and Reconciliation Rebate Report.
SOE tracking number	CMS number assigned to each SOE submission, if applicable. This field is only present on the Rebate Report and Reconciliation Rebate Report.