

CENTER FOR HEALTH INFORMATION AND ANALYSIS

Data Specification Manual

957 CMR 2.00:
Payer Reporting of Prescription Drug Rebates

May 30, 2024

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Summary of Changes

- Added a medical pharmacy code list for definition clarity. Please see field #DR023 and the accompanying code list for guidance.

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 [957 CMR 2.00](#), 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 2024, payers will submit prescription drug rebate data for CY 2023, with the option to resubmit data for CYs 2021 and 2022.

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For 2023 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 will access CHIA’s online submission platform at <https://chiasubmissions.chia.state.ma.us>. Then log-in with a valid username and password. If system access is needed, please complete a [User Agreement for Insurance Carriers](#) and email the completed form to Data-Submitter-HelpDesk@chiamass.gov. For technical issues, please email Data-Submitter-HelpDesk@chiamass.gov or Molly Bailey at molly.bailey@chiamass.gov.

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 11, 2024	Prescription Drug Rebate Data <ul style="list-style-type: none">• CY 2023 Final

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 957 CMR 2.00, payers must report prescription drug rebate information at an aggregate level. Unlike TME reporting, payers are not required to submit

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prescription drug rebate information at either the physician group or zip code 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 2024 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 21, 22, or 23. 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

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sufficient) and propose a different member population definition for CHIA approval. Alternative 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 (Pharmacy Benefit): 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 payers should only report on those members who have a pharmacy benefit. Any members who do not have a pharmacy benefit for a payer should be excluded from this data reporting

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

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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 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)

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

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

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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.

Field #DR022: Member Months (Medical Benefit): 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 payers should report all member months that have the medical benefit for the payer. This number is typically higher than the member months (pharmacy benefit).

Field #DR023: Gross Pharmacy Expenditure Amount (Medical Benefit): Total: Total allowed incurred pharmacy claims covered under the medical benefit for the requested population and calendar year. Pharmacy claims should only include those claims administered under the medical benefit. This typically includes drugs administered in the outpatient and inpatient settings. 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 covered under the medical benefit must be “grossed up” for pharmacy rebates (including point of sale rebates) and Medicare coverage gap discounts. Payers shall report these medical pharmacy expenditures using the codes identified by CHIA in the Medical Pharmacy code list, found in Appendix B on the Prescription Drug Rebate tab.

Data Elements:

Element	Data Element Name
DR001	Payer Org ID
DR002	Payer Name

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Element	Data Element Name
DR003	Insurance Category
DR004	Calendar Year
DR005	Member Population
DR006	Member Months (Pharmacy Benefit)
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
DR019	Allocation Methodology
DR020	Comments
DR021	Total Pharmacy Expenditure Amount Data Check
DR022	Member Months (Medical Benefit)
DR023	Gross Pharmacy Expenditure Amount (Medical Benefit): Total

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.

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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 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.

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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

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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>.

Submission instructions:

Payers will access CHIA's online submission platform at <https://chiasubmissions.chia.state.ma.us>. Then log-in with a valid username and password. If system access is needed, please complete a User Agreement for Insurance Carriers and email the completed form to Data-Submitter-HelpDesk@chiamass.gov. For technical issues, please email Data-Submitter-HelpDesk@chiamass.gov or Molly Bailey at molly.bailey@chiamass.gov.

Appendix B: Medical Pharmacy Code Set

Payers can find the Medical Pharmacy code set available on CHIA's website at the following location: <http://www.chiamass.gov/prescription-drug-rebate-data-submission>.

*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: Molly.Bailey@chiamass.gov

Fax: (617) 727-7662

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Appendix C: 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 submitted calendar year data. 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: Molly.Bailey@chiamass.gov

Fax: (617) 727-7662