

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850



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MEMORANDUM

TO: Medicare Part D Plan Sponsor

FROM: Gary A. Bailey, Deputy Director

RE: Coordination of Benefits (COB) Contact

DATE: June 19, 2006

CMS is issuing this letter to again direct your organization to enter a COB Contact in the Health Plan Management System (HPMS). We are also alerting you to the fact that your organization's failure to respond accurately and promptly to this direction may result in the imposition of intermediate sanctions and/or civil monetary penalties. Your organization is obligated under its Part D contract and the regulations at 42 CFR §423.464 to comply with the administrative processes established by CMS to ensure the effective exchange of information necessary for the coordination of benefits among organizations providing prescription drug coverage.

To facilitate the required coordination of benefits between plans and supplemental payers (both those who are primary and secondary to Medicare), other entities providing wrap-around assistance with covered Part D drug costs, and patient assistance programs (PAPs) operating outside the Part D benefit, we are requiring plans to populate a COB contact field in HPMS. As the first step in this process, CMS modified HPMS to add a location for a "COB Contact" who will be the point of contact for other plans on coordination of benefits issues and processes. In a May 5, 2006 memo, we requested that plans populate the new field with the requisite contact information by Friday, May 12, 2006.

To date, your organization has failed to enter a COB contact. Because the absence of this contact information may delay COB processes, you are requested to enter the required information promptly. To enter your organization's COB contact in HPMS, please follow this navigation path: HPMS Homepage > Contract Management > Contract Management > Contact Information > Contact Data.

We expect and appreciate your prompt attention to this matter. If you have any questions about the instructions stated in this letter, please contact your account manager. Thank you for your continued assistance with the implementation of the Part D benefit.