

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



CENTER FOR BENEFICIARY CHOICES

Date: December 18, 2006

Memorandum to: All Part D Sponsors

Subject: Ongoing Plan Responsibilities for Phase I Plan-to-Plan Reconciliation

From: Cynthia Tudor, Ph.D., Director, Medicare Drug Benefit Group

The purpose of this memorandum is to clarify the ongoing nature of Phase I of the Plan-to-Plan (P2P) Reconciliation process, and the continued need for plans to process the associated reports.

Although Phase I was limited in dates of service for all Part D plans except the Point-of-Sale Facilitated Enrollment Contractor, the processing of these PDEs continues as plans prepare and submit, or resubmit these PDEs on differing schedules. Throughout 2006, WellPoint, the Point-of-Sale Facilitated Enrollment Contractor (S0000), has continued to process significant numbers of point-of-sale transactions for enrollees of other Part D plans. Despite this continuing activity, CMS has received reports that some plan sponsors believed this process to involve a one-time exchange of reports, and that subsequent reports are not being processed and paid. This is not correct. Plan sponsors should be prepared to receive and process P2P reports on a monthly basis.

Please contact your account manager if you have any questions on the content of this letter.