

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



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MEMORANDUM

TO: All Part D Plan Sponsors

FROM: Gary Bailey, Deputy Director

RE: Plan-to-Plan EOB Transfer

DATE: April 26, 2006

This memorandum serves both as a reminder of the timelines and requirements concerning the plan-to-plan EOB transfer process detailed in our instructions dated April 7, 2006 and as a vehicle for clarifying related issues through several questions and answers.

EOB Timelines and Requirements

EOB Transfer Contact:

Plans were requested to populate the new Health Plan Management System (HPMS) "EOB Transfer Contact" field with the requisite contact information by midnight Friday, April 7, 2006.

Transfer EOB Procedure:

Using the Updated Enrollment Reconciliation File (distributed April 7), plans were instructed to remove beneficiaries with no claims activity as well as beneficiaries with claims activity who, by April 30, 2006, elected to remain in the plan and to create EOBs for the remaining beneficiaries.

Using the Enrollment Reconciliation Election TRR (distributed April #), plans were instructed to create EOBs for any beneficiary listed on the TRR for whom the plan had claim activity and send the EOB to the contract number of the plan of record identified in the Source File ID field.

EOB Information Deadlines:

By May 15th Transfer Out plans must transmit EOB information to the plan of record covering all costs incurred for affected beneficiaries through April 30, 2006.

By May 31st the plans of record must integrate the EOB information into their information systems for all beneficiaries on their enrollment reconciliation file.

Format and Transmission of Transfer EOBs

Information on TrOOP and gross covered drug spend balances for all affected beneficiaries must be generated and sent by Transfer Out plans to the plan of record. This information may be in the form of a paper copy EOB if the total number of beneficiary records to be transmitted to any one plan is less than 100. Paper copy EOBs may be faxed to the EOB Transfer Contact specified in HPMS for plan of record or shipped through a common carrier to the Contact either as paper copy EOBs or scanned copies on a CD-ROM. If 100 or more records must be transmitted to a plan of record, the Transfer Out plan must create an Excel file on a CD-ROM. Excel files must be shipped on the CD-ROM through a common carrier.

Exception Process

Plans that receive EOB information for a beneficiary who had disenrolled from the plan should refer to the updated Enrollment Reconciliation file (dated April 7) and the Enrollment Reconciliation Election TRRs to identify the beneficiary's current plan of record and forward the EOB information to that plan's EOC Transfer Contact.

Related Questions and Answers

Q. Are Transfer Out plans required to send an EOB if the transferring beneficiary had no expenses?

A. Because the need to send an EOB in instances where the transferring beneficiary had no expenses was not addressed previously, it will be optional for the initial set of EOBs transferred on May 1st, but will be required for the EOB transfer process beginning June 1st.

Q. What does the Transfer Out plan do when a TrOOP balance or gross covered drug costs change after an EOB has been sent to the plan of record?

A. The Transfer Out plan must send both the beneficiary and the plan of record an updated EOB reflecting the new total TrOOP and gross covered drug spend balances. Any updated EOBs must be included in the set of EOBs sent by the 15th of the month following the change.

Q. Will the plan-to-plan EOB transfer process be ongoing?

A. Until the transfer of TrOOP balances and gross covered drug costs is automated sometime in the future, the EOB transfer process as detailed in the CMS memorandum of April 7, 2006 will be used to transfer these data whenever beneficiaries transfer from one plan to another during the coverage year. We are, however, interested in improving the EOB Transfer process and would welcome timely feedback from plans that would permit us to make changes in the process for June.