



CENTER FOR BENEFICIARY CHOICES

DATE: August 30, 2006

TO: All Employer/Union-Only Group Waiver Plans (EGWPs)

FROM: Brenda Tranchida
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Employer Policy and Operations Group

SUBJECT: Transaction Reply Code 181

This memorandum provides you with information about transaction reply code (TRC) 181 for certain employer/union-only group waiver plan (EGWP) enrollments (i.e., employer/union direct contract and “800 series” plan enrollments).

Plans may be receiving TRC 181 on enrollment transactions for certain Part D employer/union direct contract and “800 series” PDP, MAPDs, and Cost Plan enrollments. This code indicates beneficiary premiums entered by the plans at enrollment do not match the premium in the Health Plan Management System (HPMS) for these plans. TRC 181 is an informational transaction reply code and will not have any negative impact on your ability to process these enrollments.

Employer group waiver policy allows plans to have the flexibility to vary the premium charged to individual employers and unions. Plans may negotiate separate premiums with individual employers/unions and may charge premiums higher or lower than the premium calculated from their bids. However, for 2006, because of system requirements, all EGWPs premiums in HPMS have been set to the base beneficiary premium (\$32.20). For 2006 enrollments, in order to avoid any future TRC 181 notifications for EGWP enrollments, please be sure to enter the base beneficiary premium amount (\$32.20) in the plan premium amount field for all beneficiaries enrolled in direct contract and “800 series” plans. For 2007, the new base beneficiary amount will have to be entered for new enrollees in the plan premium amount field.

If you have any questions regarding this memorandum, please contact Sara Walters at 410-786-3330 or at Sara.Walters@cms.hhs.gov.