

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
1301 Young Street, Suite 106-900
Dallas, TX 75202



Drug & Health Plan Operations

February 02, 2026

Request for Warning Letter without Business Plan

Contract ID: H6743, H7006

Parent Organization Name: ATRIO Health Plans

Legal Entity: ATRIO HEALTH PLANS

Tony Allotta
Medicare Compliance Officer
550 Hawthorne Ave SE #140, Salem
Salem, OR 97301

VIA EMAIL: Tony.allotta@atriohp.com

RE:Request for Warning Letter without Business Plan

Dear Tony Allotta:

The Centers for Medicare & Medicaid Services (CMS) is issuing this warning letter to ATRIO HEALTH PLANS, which operates H6743, H7006, regarding your organization's failure to determine and document creditable coverage periods according to CMS requirements. We are issuing a warning letter because problems related to your organization's determination and documentation of creditable coverage periods were not corrected following the issuance of a notice of non-compliance on July 12, 2024.

Your organization is non-compliant with the following regulations:

- 42 C.F.R. § 423.46(b), which requires Part D sponsors to obtain information on prior creditable coverage from all enrolled or enrolling beneficiaries and to report this information to CMS.
- 42 C.F.R. § 423.56(f), which requires Part D sponsors to provide creditable coverage notification according to the CMS guidelines.
- 42 C.F.R. § 422.60(e), which requires MA organizations to have an effective system for receiving, controlling, and processing elections.
- 42 C.F.R. § 422.60(e)(5), which requires MA organizations to process individual enrollment requests timely. This includes, but is not limited to, Late Enrollment Penalty (LEP) information.
- 42 C.F.R. § 423.46(b), which requires Part D sponsors to obtain information on prior creditable coverage from all enrolled or enrolling beneficiaries and to report this information to CMS.
- 42 C.F.R. § 422.504(l), which requires MA organizations to certify the accuracy, completeness, and truthfulness of enrollment information.

On October 17, 2024, CMS requested information from your organization about activities performed by

your contractor, Allymar, which conducts certain MA and Part D enrollment activities on your behalf. On October 22, 2024, your organization reported that Allymar failed to provide accurate late enrollment penalty (LEP) notifications to 11 beneficiaries and failed to submit or rescind appropriate LEPs to three beneficiaries. Your organization identified these issues on August 6, 2024, but you stated that these issues were an extension of your previous problems with 2024 LEP notifications that had been identified and documented in a notice of noncompliance CMS issued on July 12, 2024. The root cause of these issues was training shortcomings, improper oversight and monitoring, and improper internal systems configuration.

On October 21, 2024, your organization confirmed that you were communicating regularly with Allymar's LEP subject matter expert (SME). You further confirmed that your organization works with the LEP SME to identify and resolve LEP related issues quickly. Lastly, you reported that your organization monitors 100 percent of LEP transactions on a weekly basis. To help ensure that notifications are sent timely, your organization reported that you have a manual workaround to issue letters that the automated process fails to issue.

Despite these efforts, your organization reported in March 2025, that you continue to have problems issuing LEP notices timely. You identified three additional beneficiaries in February 2025, who had not received timely LEP notices. On March 6, 2025, your organization confirmed that all 14 late letters had been sent, with the 11 identified October 2024, having been sent between August 2024, and November 2024, and the three identified in February 2025, having been sent February 21, 2025.

Please be aware that this letter will be included in the record of your organization's past Medicare contract performance, which CMS will consider as part of our review of any application for new or expanded Medicare contracts your organization may submit. CMS determines this instance of non-compliance a Part C and D issue. CMS notes that we are issuing this compliance notice based exclusively on information that we obtained from sources other than your organization's self-disclosure.

Should your organization fail to come into compliance in a timely manner, CMS may consider taking additional compliance actions, including a formal request for a corrective action plan (CAP), or taking enforcement actions in the form of the imposition of intermediate sanctions (e.g., the suspension of marketing and enrollment activities) or civil money penalties.

If you have any questions about this notice, please contact your CMS Account Manager, Toni Duplain at: (214) 767-4433, or toni.duplain2@cms.hhs.gov.

Sincerely,



Verna Hicks, Director
Division of Medicare Plan Management
Medicare Plan Management Group

CC via email:

Toni Duplain, CMS
[~COMPLIANCE LEAD 1~], CMS Baltimore

