

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



CENTER FOR MEDICARE

February 09, 2026

Warning Letter

Contract ID: H4499

Parent Organization Name: Sentara Health Care (SHC)

Legal Entity Name: Sentara Health Plans

Catherine Lojko
Medicare Compliance Officer
1300 Sentara Park
Virginia Beach, VA 23464

VIA EMAIL: cmlojko@sentara.com

RE: Failure to Provide Members Convenient Access to Long-Term Care Pharmacies

Dear Catherine Lojko:

The Centers for Medicare & Medicaid Services (CMS) is issuing this warning letter to Sentara Health Plans, which operates Contract ID H4499, concerning its failure to provide members residing in long-term care (LTC) facilities convenient access to Part D benefits from January 1, 2026 through January 7, 2026.

Part D program regulations at 42 C.F.R. § 423.120(a)(5) state that a Part D sponsor must provide convenient access to LTC pharmacies consistent with written policy guidelines and other CMS instructions. Consistent with CMS guidance, all of a Part D sponsor's enrollees who reside in an LTC facility must be able to routinely receive their Part D benefits through the plan's network of LTC pharmacies, and sponsors cannot rely on out-of-network access to meet the LTC pharmacy convenient access standards. [1] Additionally, sponsors may not rely upon beneficiary special enrollment periods to circumvent LTC pharmacy convenient access requirements. [2]

CMS has determined that your organization did not meet the convenient access requirements for LTC pharmacies at 42 C.F.R. § 423.120(a)(5) from January 1 through January 7, 2026. Several LTC pharmacies formerly in your network terminated their contracts with your organization effective December 31, 2025. Although your pharmacy benefit manager (PBM), Express Scripts, was engaged in negotiations with those pharmacies to renew contracts during the first week of January and the pharmacies were prepared to continue accepting payment from your organization in the interim, your organization opted to begin denying claims from those pharmacies effective January 1, 2026. As a result, 113 Part D claims for 52 enrollees residing in LTC facilities served by those pharmacies were denied between January 1 and January 7, 2026. Your organization resumed payment January 8, 2026, after meeting with CMS. Your PBM has since entered into a 2026 contract with the affected pharmacies, placing your organization back in compliance with CMS requirements.

In the future, please ensure that your organization complies with CMS's requirements related to convenient access to LTC pharmacies.

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 deems this instance of non-compliance a Part D issue. CMS notes that we are issuing this compliance notice based on information that we obtained from sources other than the sponsor's own self-disclosure.

If you have any questions about this notice, please contact Linda Anders at linda.anders@cms.hhs.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Linda Anders".

Linda Anders, Division Director
Division of Benefit Purchasing and Monitoring
Medicare Drug Benefit and C&D Data Group

CC via email:

Jewel Hilliard CMS,
Linda Anders, CMS
Arianne Spaccarelli, CMS

[1] Medicare Prescription Drug Benefit Manual, Chapter 5, Section 50.5.1, p 41. Available at <https://www.cms.gov/files/document/chapter-5-benefits-and-beneficiary-protection-v92011.pdf>

[2] Id.