

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



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January 17, 2025

**Warning Letter**

Contract ID: S5953

Parent Organization Name: BlueCross BlueShield of South Carolina (BCBSSC)

Legal Entity Name: BLUECROSS AND BLUESHIELD OF SOUTH CAROLINA

Joel Pierstorff  
Medicare Compliance Officer  
I-20 at Alpine Road  
AC-200  
Columbia, SC 29219

VIA EMAIL: BCBSSC.MA.COMPLIANCE@bcbsc.com

**RE: Failure to Submit CY 2025 Crosswalk by Bid Deadline**

Dear Joel Pierstorff:

The Centers for Medicare & Medicaid Services (CMS) is issuing a warning letter to BLUECROSS AND BLUESHIELD OF SOUTH CAROLINA, which operates Medicare Part D Contract ID S5953, for its failure to meet the June 3, 2024 deadline for the submission of its plan crosswalk, as part of its contract year (CY) 2025 Part D bid.

Part D program regulations at 42 C.F.R. § 423.265(c) state that each potential Part D sponsor must submit bids (and supplemental information specified by CMS) that reflect the features (e.g., premium amount, cost sharing) and projected cost estimates of each benefit package it expects to offer. As outlined in the HPMS Memo entitled "Release of the Contract Year (CY) 2025 Bid Submission Functionality in HPMS" (dated May 3, 2024), one of the requirements for a complete bid submission is a plan crosswalk, where applicable. As required by 42 C.F.R. § 423.265(b)(1), each potential Part D sponsor must submit its complete bid by the first Monday in June according to instructions issued by CMS. CMS requires that sponsors submit these bids by uploading the necessary information into our Health Plan Management System (HPMS). [1] For CY 2025, the first Monday in June was June 3, 2024.

Organizations are responsible for ensuring that complete and accurate CY 2025 bids were submitted by the June 3, 2024 deadline. Yet, the Part D portion of S5953's initial bid failed to constitute a complete and accurate bid submission. This deficiency was revealed by the following:

**The contract intended to terminate an Enhanced Alternative (EA) plan for S5953\_002 and failed to crosswalk the affected beneficiaries into a comparable continuing plan for CY 2025.**

The need for CMS to work with your organization to correct its CY 2025 bid indicates that it failed to comply with Part D regulatory requirements and follow CMS bid instructions.

CMS afforded your organization an opportunity to submit a crosswalk exception request during the second crosswalk exception window from July 1-3, 2024, and subsequently amend your bid as a result of the change. While you may have taken advantage of that opportunity, the initial missed deadline placed your organization out of compliance with Part D program requirements.

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.

For questions regarding your bid submission, please contact the Part D Benefits mailbox at [PartDBenefits@cms.hhs.gov](mailto:PartDBenefits@cms.hhs.gov). If you have any questions about the compliance implications of this notice, please contact Christine Hill at [Christine.Hill@cms.hhs.gov](mailto:Christine.Hill@cms.hhs.gov) and copy your account manager.

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:

Hugo Huapaya, CMS  
Arianne Spaccarelli, CMS  
Christine Hill, CMS

[1] The instruction for bids to be submitted via HPMS can be found in the preamble of CMS-4068-F (70 FR 4290).