**Plan Sponsor Agreement**

**Note:** This page displays the Plan Sponsor Agreement made between CMS' RDS Center and the qualified Authorized Representative for the Plan Sponsor. The Plan Sponsor Agreement defines the terms and conditions of the RDS Program.

This document is for reference and can only be completed on the RDS Secure Website.

The Authorized Representative must read each clause of the Plan Sponsor Agreement.

1. **Compliance:** In order to receive subsidy payment(s), Plan Sponsor agrees to comply with all of the terms and conditions of 42 C.F.R. 423 Subpart R and in other guidance issued by CMS, including, but not limited to, the conditions for submission of data for obtaining payment and the record retention requirements.
2. **Notice of Creditable Coverage:** Plan Sponsor certifies that it will provide prior to the beginning of the plan year referenced in this RDS application, Creditable Coverage notices in accordance with 42 C.F.R. 423.56 to Part D eligible individuals covered under the Plan Sponsor's plan.
3. **Written Agreement:** Plan Sponsor certifies that it has executed a written agreement with its health insurance issuer or group health plan regarding disclosure of information to CMS, and the issuer or plan agrees to disclose to CMS, on behalf of the Sponsor, the information necessary for the Sponsor to comply with the requirements of the RDS Program. (For year one of the RDS Program Sponsor certifies that it will execute the written agreement prior to January 1, 2006.)
4. **Use of Records:** Sponsor understands and agrees that officers, employees and contractors of the Department of Health and Human Services, including the Office of Inspector General (OIG), may use information collected under the RDS Program only for the purposes of, and to the extent necessary in, carrying out their responsibilities under 42 C.F.R. 423 Subpart R including, but not limited to, determination of payments and payment-related oversight and program integrity activities, or as otherwise required by law. This restriction does not limit OIG authority to conduct audits and evaluations necessary for purposes of 42 C.F.R. 423 Subpart R or other authority. Sponsors further acknowledge that CMS will release Retiree Drug Subsidy payment data in accordance with 423.884(c).
5. **Obtaining Federal Funds:** Plan Sponsor acknowledges that the information furnished in its Plan Sponsor Application is being provided to obtain Federal funds. Plan Sponsor certifies that it requires all subcontractors, including plan administrators, to acknowledge that information provided in connection with the Plan Sponsor's Application is used for purposes of obtaining Federal funds. Plan Sponsor acknowledges that payment of a subsidy is conditioned on the submission of accurate information. Plan Sponsor agrees that it will not knowingly present or cause to be presented a false or fraudulent claim. Plan Sponsor acknowledges that any overpayment made to the Plan Sponsor under the RDS Program may be recouped by CMS. Plan Sponsor will promptly update any changes to the information submitted in its Plan Sponsor Application.
6. **Data Security:**Plan Sponsor agrees to establish and implement proper safeguards against unauthorized use and disclosure of the data exchanged under this Plan Sponsor Application. Plan Sponsor recognizes that the use and disclosure of protected health information (PHI) is governed by the Health Insurance Portability and Accountability Act (HIPAA) and accompanying regulations. Plan Sponsor certifies that it has established and implemented appropriate safeguards in compliance with 45 C.F.R. Parts 160, 162 and 164 (HIPAA administrative simplification, privacy and security rule) in order to prevent unauthorized disclosure of such information or data. Any and all Plan Sponsor personnel interacting with PHI shall be advised of (1) the confidential nature of the information; (2) safeguards required to protect the information, and (3) the administrative, civil and criminal penalties for noncompliance contained in applicable Federal laws.
7. **Depository Information:** Plan Sponsor hereby authorizes CMS to initiate payment, credit entries and other adjustments, including offsets and requests for payment, in accordance with the provisions of 42 C.F.R. 423 Subpart R and applicable provisions of 45 C.F.R. Part 30 to the account at the financial institution (hereinafter the "Depository") indicated under the Electronic Funds Transfer (EFT) section of the Plan Sponsor Application. When Plan Sponsor know of, and agrees to, an overpayment it must pay that amount back to CMS. Plan Sponsor agrees to promptly update any changes in its Depository information.
8. **Change of Ownership:** The Plan Sponsor shall provide written notice to CMS at least 60 days prior to a change in ownership, as defined in 42 C.F.R. 423.892(a). When a change of ownership results in a transfer of the liability for prescription drug costs, this Plan Sponsor Agreement is automatically assigned to the new owner, who shall be subject to the terms and conditions of this Plan Sponsor Agreement.

I, the undersigned Authorized Representative of Plan Sponsor, declare that I have examined this Plan Sponsor Application and Plan Sponsor Agreement. My signature legally and financially binds the Plan Sponsor to the laws, regulations, and other guidance applicable to the RDS Program (including, but not limited to 42 C.F.R. 423 Subpart R) and all other applicable laws and regulations. I certify that the information contained in this Plan Sponsor Application and Plan Sponsor Agreement is true, accurate and complete to the best of my knowledge and belief, and I authorize CMS to verify this information. I understand that, because payment of a subsidy will be made from Federal funds, any false statements, documents, or concealment of a material fact is subject to prosecution under applicable Federal and/or State law. If I become aware that information in this application is not (or is no longer) true, accurate and complete, I agree to notify CMS promptly of this fact.

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