DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services Center for Beneficiary Choices 7500 Security Boulevard, Mail Stop C4-23-07 Baltimore, Maryland 21244-1850



MEDICARE PLAN ACCOUNTABILITY GROUP

DATE: December 30, 2005

TO: All Medicare Advantage Organizations, PACE organizations, Cost Plans,

Prescription Drug Plans and Demonstrations

FROM: Cynthia E. Moreno /s/

Acting Director

SUBJECT: Rerunning the January Plan Payment Reports (PPRs) - INFORMATION

This letter is to notify you that the Centers for Medicare & Medicaid Services (CMS) will be re-running the January PPRs.

The January report included both a Part D premium amount and a Prospective low-income subsidy (LIS) amount. While CMS is reimbursing you for the LIS in the January payment, no Part D premiums have been received from SSA to be paid to you. These latter amounts were inadvertently added to the report.

The net payment on the PPR includes both of these amounts; however the payment wired to your account will only include the LIS amount. To address this display issue and to correct the net payment amount to line up with the wired amount, these reports will be re-run. They will be sent out to you over the weekend of December 31, 2005.

If you have any additional questions or issues that you wish to discuss, please feel free to contact your Division of Enrollment and Payment Operations representative directly (per Appendix B in the Plan Communications User Guide).

cc: Mr. Gary A. Bailey, CMS

Ms. Patricia Smith, CMS

Ms. Cynthia Tudor, CMS

Ms. Marla Kilbourne, CMS

RO HMO Coordinators

DEPO