DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop C4-14-21 Baltimore, Maryland 21244-1850



Medicare Plan Accountability Group/CBC

Date: September 10, 2004

To: Medicare Advantage Organizations

From: Lori Robinson, Director

Division of Health Plan and Provider Data

Subject: Medicare Part B Premium and Rates and the 2005 PBP/SB Software

The 2005 Medicare Part B premium and rates were announced recently, which requires that your organization update the local version of your Plan Benefit Package (PBP) / Summary of Benefits (SB) software, per the instructions below.

For all organizations completing a 2005 PBP

No later than noon EST Monday, September 13, 2004, CMS will release an SB software patch on HPMS. In order to update the Medicare rates in your local PBP/SB, you should download this software patch from HPMS. The patch will be located on the ACRP 2005 Start Page on the left navigation bar. You should click on the link and follow the instructions to download and apply the patch to your local PBP/SB. Applying this patch to your local PBP software will ensure that your locally generated SBs contain the updated rates. Organizations are <u>not</u> required to apply this patch before uploading your ACRP submissions.

If you have already uploaded your 2005 ACRP submissions to HPMS, you do <u>NOT</u> need to reupload in order to apply these Medicare rate changes to your uploaded SB sentences. CMS is applying these Medicare rates systematically to all uploaded SB sentences resident in the HPMS database. This will ensure that all SB sentences displayed in HPMS reports and on Medicare Personal Plan Finder (MPPF) will contain the updated Medicare rates.

For organizations offering the Medicare Part B premium reduction benefit

If your organization is offering the Medicare Part B premium reduction benefit, you must complete the instructions contained in this section. HPMS has been updated to reflect the new 2005 Medicare Part B premium of \$78.20. You must perform a "plan-specific download" from HPMS to your local PBP software. In order to do so, you should access **Step 5** on the ACRP 2005 Start Page in HPMS. This action will update the 2005 Medicare Part B premium amount contained in the PBP software. If necessary, you may then revise the PBP Section D data entry field to account for this change. Affected organizations must perform this update prior to running the ACRP Pre-Upload Validation (APV) Tool and uploading your plans to HPMS.

If you need technical assistance, please contact the HPMS Help Desk at 1-800-220-2028. Thank you.