

LIS Incorrect Cost-Sharing - Recouping Cost-sharing Amounts Owed by Enrollees

Q: If a plan determines that a LIS-eligible enrollee was assessed a lower level of cost-sharing than CMS confirms he or she qualifies for (e.g., \$1/\$3 rather than \$2/\$5), must it recoup cost-sharing amounts owed by this enrollee? If so, how can the plan go about recouping these amounts?

A: Our rules on uniformity of benefits require recouping such amounts in order to ensure that similarly situated individuals are treated the same, and in order to avoid any waiver of the cost-sharing. Thus, plans should make reasonable attempts to collect the outstanding cost-sharing. (This assumes the pharmacy has not waived or reduced this cost-sharing consistent with the safe harbor for pharmacy waiver or reduction of Part D cost-sharing.)

In addition, the plan should ensure that once it recoups any cost-sharing, the PDE is adjusted. Although both low-income cost-sharing (LICS) and Patient Pay amounts are TrOOP-eligible amounts, the LICS amount must be correct because LICS is a cost-based payment mechanism and CMS uses the LICS Amount field to calculate the Part D Payment Reconciliation for LICS. The adjustment PDE shows that LICS decreases and Patient Pay increases by the same amount (provided the beneficiary receives no assistance from a TrOOP-eligible other payer like an SPAP). Plans must use the “Report-As-Adjusted” method to show changes in every affected PDE, and not the “Report-As-Administered” method, anytime a change in LICS amounts is involved.