

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S3-16-16  
Baltimore, Maryland 21244-1850



## **Center for Beneficiary Choices**

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**Date:** July 31, 2006

**To:** All Part D Plan Sponsors

**From:** Abby L. Block, Director  
Center for Beneficiary Choices

**Subject:** Coordination of Benefits (COB) User Fee

On July 24<sup>th</sup>, CMS released guidance stating that the coordination of benefits (COB) user fee will be increased for plan year 2007 and that the fee will be collected at a rate of \$0.11 per enrollee per month for the entire year. However, due to system constraints, it is necessary to revise the planned collection schedule. Rather than collecting the \$0.11 per enrollee per month for the entire year, the COB user fee will be collected over 9 months instead of 12 months. The COB user fee will be collected at a rate of \$0.15 per enrollee per month from January to August and \$0.16 per enrollee per month will be collected in September for a total user fee of \$1.36 per enrollee per year in plan year 2007. This will still be an overall increase in the COB user fee of \$0.03 per enrollee per month from plan year 2006.

### Further Information

If you have questions, please contact Meghan Elrington at (410) 786-8675.