

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



CENTER FOR BENEFICIARY CHOICES

DATE: November 16, 2006

TO: All Part D Plans

FROM: Cynthia Tudor, Ph.D., Director, Medicare Drug Benefit Group

SUBJECT: For Review and Comment: Draft Business Associate Agreement with the TrOOP Facilitator

Please find attached for review and comment a draft standard language business associates agreement to be executed with the TrOOP Facilitation Contractor. As specified in our draft 2007 Coordination of Benefits (COB) guidance, consistent with the HIPAA Privacy Rule (45 CFR Parts 160 and 164), the TrOOP Facilitation Contractor will be a business associate of Part D plans for the purpose of performing TrOOP and COB functions. Accordingly, each Part D plan is required to execute a business associate agreement with the TrOOP Facilitation Contractor covering TrOOP and COB functions.

To facilitate the execution of these agreements, a draft standard language business associate agreement has been developed by CMS. The use of the final model agreement will minimize the costs associated with executing the agreement for both plan sponsors and the TrOOP Facilitator. Once finalized, we will be strongly encouraging all parties to sign the standard language agreement without adding more than the minimal language than may be required to ensure the agreement is enforceable under applicable State law.

Comments on the draft agreement may be submitted until COB November 24, 2006 at PartDBenefitImpl@cms.hhs.gov. Please include *TrOOP BAA* in the subject line.

Thank you for your continued assistance with the implementation of the Part D benefit.