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DATE: December 8, 2006

TO: All Part D Sponsors Offering Employer/Union-Only Group Waiver Plans

FROM: Brenda Tranchida, Deputy Director
Employer Policy and Operations Group

SUBJECT: HPMS - Availability of Low-Income Premium Subsidy Amounts Paid to Part D Sponsors

HPMS now includes a new table that provides Part D Sponsors with the monthly payments they are receiving to subsidize their low-income enrollees' premiums. HPMS will continue to have a separate table providing the low-income premiums that beneficiaries pay in the plans.

To access the low-income premium and subsidy tables, use the following path:
HPMS Home → Plan Bids → Bid Submission → Contract Year → Upload → Part D Premium Information → Select your contract number → Click "Low-Income Premium Amounts" link.

HPMS will no longer display the low-income premiums for enrollees in employer/union-only group waiver (i.e., "800 series") plans. (The premium table will show "N/A" for those plans.) This reflects the fact that premiums for beneficiaries across employer/union groups in a given "800 series" plan can vary.

Please remember that if you offer a Part D "800 series" plan, you must comply with the same low-income premium subsidy requirements that apply to plans offered to individual beneficiaries, including the requirement to automatically reduce, up-front, the premiums paid by beneficiaries enrolled in these plans to reflect the low-income subsidy payments. See April 6, 2005 Employer/Union-Only Group Waiver Guidance; 42 CFR §423.800.

If you have any questions regarding this memorandum, please contact Julian Nadolny at 410-786-2274 or julian.nadolny@cms.hhs.gov.