

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Center for Beneficiary Choices  
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**CENTER FOR BENEFICIARY CHOICES**

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Date: June 7, 2007

To: ALL Medicare Advantage Organizations, Prescription Drug Plan Sponsors and Other Interested Parties

From: Thomas Hutchinson  
Director, Medicare Plan Payment Group

Subject: Payment Reconciliation System (PRS) Part D Payment Reconciliation Reports

As part of the yearly Part D payment reconciliation, plans active within the coverage year will receive a set of management reports from the Payment Reconciliation System (PRS) detailing inputs and results of the reconciliation process for the coverage year. The PRS reports, the PRS Inputs Report to Plans and the PRS Reconciliation Results Report to Plans, will provide plans with information regarding the inputs and values used to calculate the three Part D payment reconciliations: the Low Income Cost-Sharing Subsidy (LICS) reconciliation, the reinsurance reconciliation, and the risk sharing reconciliation.

Questions regarding the PRS Part D Payment Reconciliation Reports should be directed to either [Tara.Waters@cms.hhs.gov](mailto:Tara.Waters@cms.hhs.gov) or [Jeffrey.Grant@cms.hhs.gov](mailto:Jeffrey.Grant@cms.hhs.gov).

Attachment