

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



CENTER FOR DRUG and HEALTH PLAN CHOICE

TO: Medicare Advantage Organizations
Medicare Advantage – Prescription Drug Organizations
Cost-Based Contractors
Prescription Drug Plan Sponsors
Employer/Union Sponsored Group Health Plans

FROM: Abby L. Block, Director, Center for Drug and Health Plan Choice (CPC)

SUBJECT: Special Notice on Compensation Structure Requirements

DATE: October 24, 2008

CMS is aware that there is significant concern about agent/broker commissions for benefit year 2009. As a result, we are rescinding our October 8, 2008 guidance document. We are working on ways to address the concern and expect to take regulatory action next week. We strongly suggest that you keep this in mind as you contemplate making any final arrangements regarding commission structures.