



DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Beneficiary Choices
Medicare Advantage Group

7500 Security Boulevard
Baltimore, Maryland 21244

DATE: July 06, 2007

TO: All Medicare Advantage Plans

FROM: David A. Lewis
Director, Medicare Advantage Group

SUBJECT: Medicaid Obligations for Cost-Sharing in Medicare Part C Plans

On June 11, 2007, the Disabled and Elderly Health Program Group (DEHPG) of the Center for Medicaid State Operations (CMSO) released a Medicaid cost-sharing document and guidance memo to provide further clarification and guidance to questions raised by States, providers, and Medicare Part C plans regarding cost sharing for dual eligibles enrolled in Medicare Advantage plans. The Medicare Advantage Group (MAG) has received questions from providers and MA plans about properly categorizing dual eligibles and charging the correct cost sharing for each dual eligible category. We believe that the attached memo will be helpful in assisting MA plans in applying the correct cost sharing to the appropriate dual category.

The attached memo is a collaborative effort between the Centers for Medicaid State Operations (CMSO), the Medicare Advantage Group (MAG), and the Office of Clinical Standards and Quality (OCSQ). The information provided in these documents is not intended to address all issues related to Part C cost-sharing for dual eligibles, but MAG believes that the definitions, statutory guidance, and charts will be effective tools in addressing any confusion that exist regarding dual eligible categories and appropriate cost-sharing.