

## Overview of Premium Withhold Letters from CMS

For some Medicare beneficiaries, the premiums for their Medicare drug plan or Medicare Advantage Plan were incorrectly withheld from their Social Security payments or were not withheld at all. CMS has resolved some of these premium withhold issues, which may result in a significant change in the November Social Security payment for affected beneficiaries. It is important to note that the people affected by these issues continue to have their Medicare health care and prescription drug coverage.

On Monday, October 30, 2006, CMS mailed four different letters to four groups of beneficiaries who will see a change in their November Social Security payment as a result of their case resolutions:

**11262:** This letter is being sent to a subset of beneficiaries who received a refund as a result of an error in the CMS system and explains that due to a problem encountered when restarting their premium withhold option, CMS failed to withhold Part C premiums for September and October. As a result, these beneficiaries will have their Part C premiums for September and October, as well as November, withheld from their November Social Security payment.

**11263:** This letter is being sent to another subset of beneficiaries who erroneously received a refund and explains that because CMS was unable to withhold their September and October Medicare premiums, their November Social Security payment will reflect deductions for their September and October, as well as November, Medicare plan premiums.

**11264:** This letter explains that CMS failed to withhold either some or all of a person's health and drug plan premiums for a number of months, and will be withholding a sufficient amount from their November Social Security payment to pay any additional premium amounts owed to date.

**11265:** This letter explains that CMS was unable to process a person's request for premium withhold, and their plan will now send them bills for their premiums. These individuals will receive a refund for all of the premiums withheld to date, which the person will then need to pay directly to their plan.

CMS expects to resolve the majority of the remaining cases during November, with the affected beneficiaries seeing any resulting changes in their December Social Security payment.