

## **A Note To Brokers about Notification from CMS**

The Centers for Medicare and Medicaid Services (CMS) has asked us to pass along the following information. In accordance with the request, we will be posting this in the Announcements section of [www.southernhealth.com](http://www.southernhealth.com) for our clients, but wanted to share it with you first. CMS believes that there may be some confusion regarding the applicability of the Part D- Income Related Monthly Adjustment Amount (IRMAA) to members enrolled in employer group health plans that offer drug coverage. Some employer groups are under the mistaken impression that members enrolled in employer group health plans do not have to pay the Part D - IRMAA and may be discouraging members from paying any assessed amounts. The Part D - IRMAA is an amount added to the monthly Part D premium for members whose modified adjusted gross income exceeds certain threshold amounts. An employer group may make arrangements to cover its members' Part D-IRMAA, but CMS is not able to facilitate such arrangements. In all cases, affected members will either have the income-related adjustment deducted from their Social Security (or Railroad Retirement) check or be billed directly by CMS. Thus, even if an employer group chooses to cover the Part D - IRMAA, for example, by reimbursing members for any amounts paid, the member continues to be legally responsible for ensuring that premiums are paid each month.

[Click here to read Social Security Publication 10536 "Medicare Premiums: Rules for Higher-Income Beneficiaries."](http://www.socialsecurity.gov/pubs/10536.pdf) <http://www.socialsecurity.gov/pubs/10536.pdf>