

CMS Initial-Year Commission First Payment has been processed for January and February!

We are very excited to notify you that CMS sent the new reconciliation files containing the corrected data related to initial-year commission payments on Thursday, June 4, 2009.

As a result, our Commissions department has been working round the clock to make sure you get paid as quickly as possible. The commission payout is scheduled for this Wednesday, June 17th. This payment includes January and February effective dates. Both paper checks and electronic funds will be posted Wednesday June 17th. Statements will also be sent the same day. We have attached a sample commission statement for your convenience.

Please note that at this time, CMS has not provided an escalation or appeals process for initial-year commission payments. Therefore, these payments are final as there is no process for Bravo Health to provide responses to audit requests related to appeals.

Additional Background Information

In order to understand the initial-year commission payment criteria, please note the following categories applied to the data received thus far by CMS.

- Individual new to Medicare
- Individual enrolling from Original Medicare (Fee-for-Service)

You'll remember The Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) required that Medicare Advantage Organizations, adhere to the compensation guidelines established by CMS.

CMS issued an interim final rule, effective November 10, 2008, that stated:

"...for enrollments with effective dates in 2009, the MA or PDP plan initially pays the renewal compensation amount to the broker or agent enrolling the individual. Several times in 2009, we will run a report identifying those beneficiaries enrolled in a MA plan or PDP who were newly entitled or enrolled from original Medicare. We will sort the report by plan and send each organization the list of enrollees in a plan offered by that organization, for which, if an agent or broker wrote the policy, that agent or broker would be entitled to an initial compensation amount. Organizations can use the report to identify the agents or broker who are entitled to an initial compensation amount." 42 Fed. Reg. 67408 Nov. 14, 2008."

As always, we appreciate your partnership and are committed to sharing new information regarding March, April and May 2009 payments as soon as it becomes available from CMS. Please feel free to share this communication with any of your brokers or agencies.

Sincerely,

Bravo Health's Commission Department

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