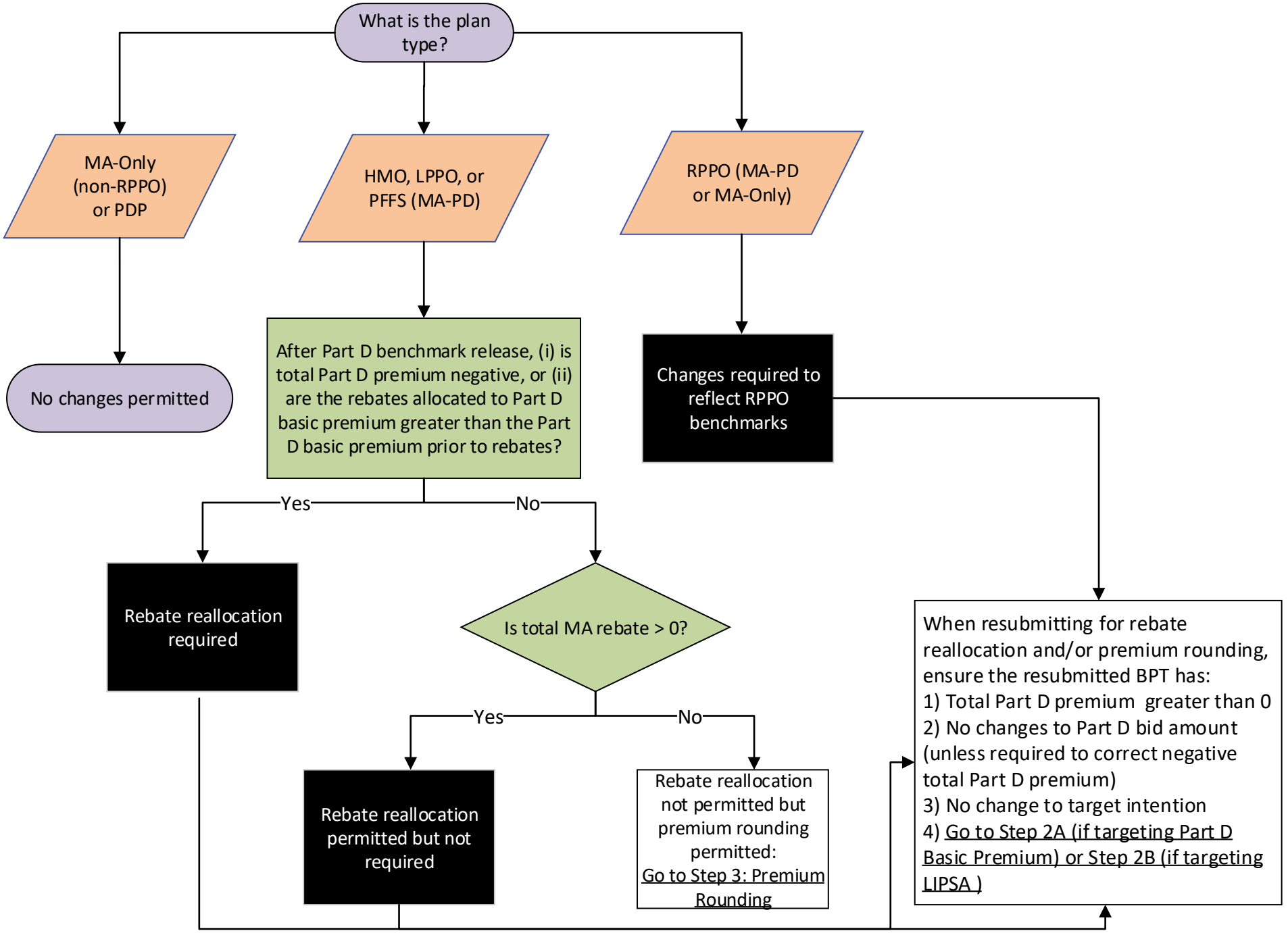
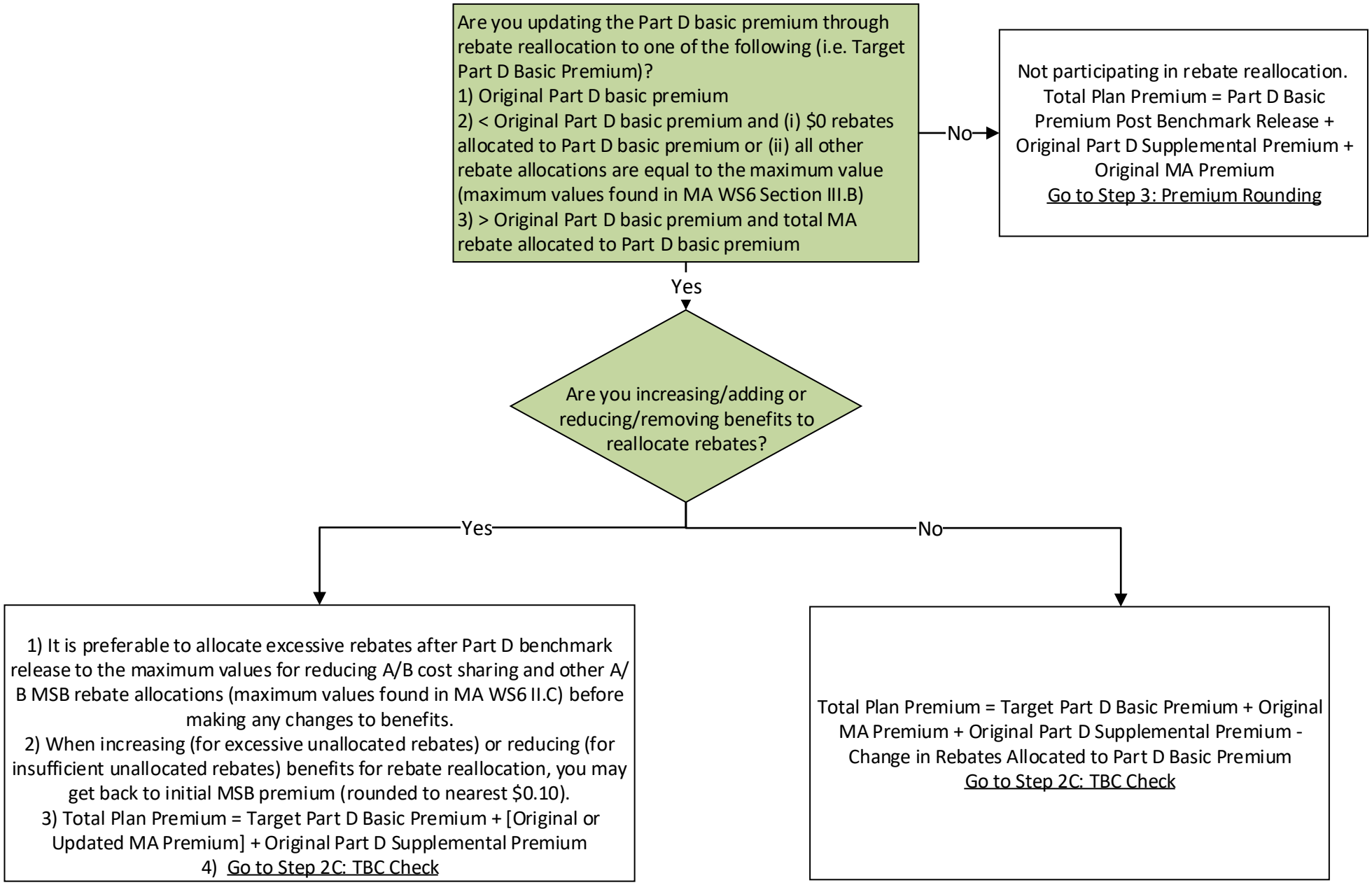
Step 1: Rebate Reallocation Permissibility



Step 2A: Targeting Part D Basic Premium



Step 2B: Targeting LIPSA

Are you updating Part D basic premium through rebate reallocation to one of the following (i.e. Target LIPSA)?
1) exact LIPSA amount
2) LIPSA rounded up or down to $0.10
3) LIPSA rounded down to nearest $1
4) < LIPSA and (i) rebates allocated to Part D basic premium or (ii) all other rebate allocations are equal to the maximum value (maximum values found in MA WS6 Section III.B)
5) > LIPSA and total MA rebate allocated to Part D basic premium

No → Not participating in rebate reallocation. Total Plan Premium = Part D Basic Premium Post Benchmark Release + Original Part D Supplemental Premium + Original MA Premium
Go to Step 3: Premium Rounding

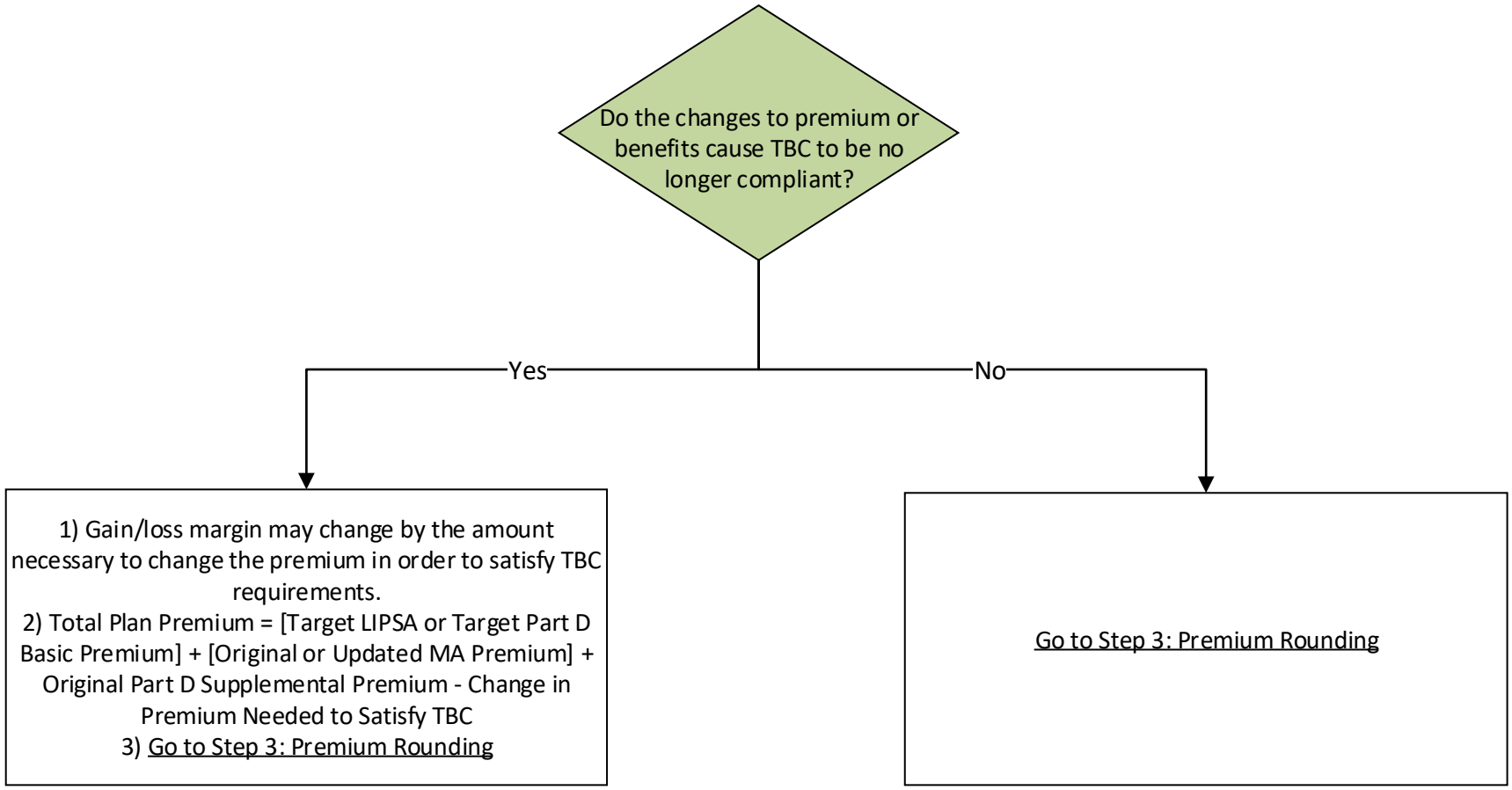
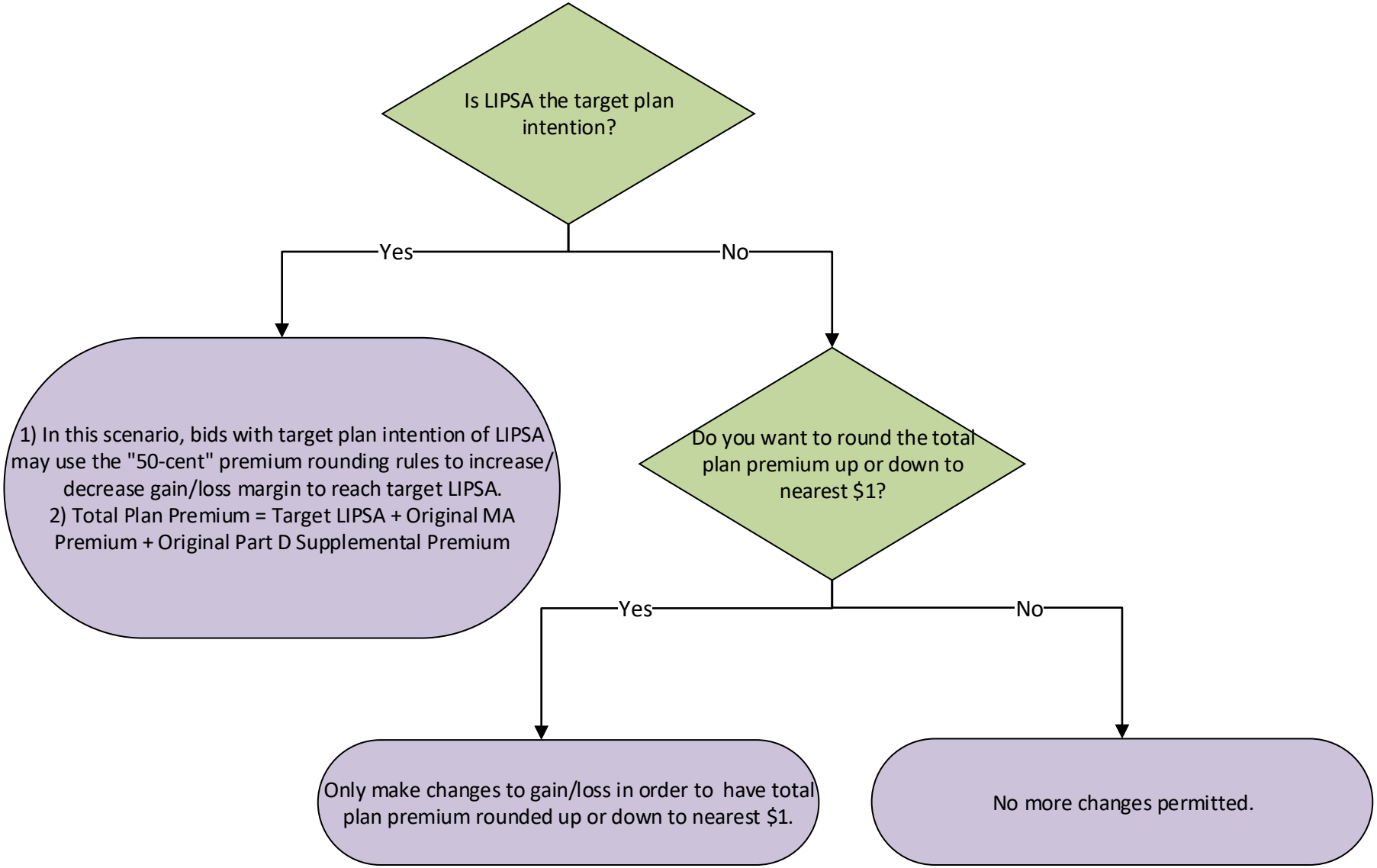
Yes

Are you increasing/adding or reducing/removing benefits to reallocate rebates?

Yes →
1) It is preferable to allocate excessive rebates after Part D benchmark release to the maximum values for reducing A/B cost sharing and other A/B MSB rebate allocations (maximum values found in MA WS6 II.C) before making any changes to benefits.
2) When increasing (for excessive unallocated rebates) or reducing (for insufficient unallocated rebates) benefits for rebate reallocation, you may get back to initial MSB premium (rounded to nearest $0.10).
3) Total Plan Premium = Target LIPSA + [Original or Updated MA Premium] + Original Part D Supplemental Premium
4) Go to Step 2C: TBC Check

No → Total Plan Premium = Target LIPSA +Original MA Premium + Original Part D Supplemental Premium - Change in Rebates Allocated to Part D Basic Premium
Go to Step 2C: TBC Check

Step 2C: TBC Check



Step 3: Premium Rounding