

## **20.5 - Premium Withhold**

*(Rev. 111, 05-03-13, Effective: 05-03-13, Implementation: 05-03-13)*

MAOs are required to allow their enrollees, at their option, to pay their premium through deductions from their Social Security checks, Railroad Retirement checks, or Federal annuity. However, when employers/unions also contribute to the beneficiary's premium, in whole or in part, it is not feasible for both MAOs and CMS to factor in the employer/union sponsor's contribution and adjust the amount of the premium that should be deducted from the beneficiary's Social Security or other check.

Therefore, in consideration of this operational obstacle, as a condition of sponsoring an EGWP, CMS has waived the requirement that MAOs offering "800 series" and Direct Contract EGWPs provide beneficiaries the option to pay their premium through withholding. Thus, the premium withhold option will not be available for enrollees in EGWPs; MAOs offering these plans will bill the beneficiary and/or the employer/union directly. This waiver is not applicable to employer-sponsored enrollments in individual MA plans. Employer-sponsored group beneficiaries enrolled in these MA plans will have the option to pay premiums through withholding.