



January 1, 2020

County of Adams  
4430 S. Adams County Parkway, Suite C4000B  
Brighton, Colorado 80601

Subject: Late Enrollment Penalty

Dear County of Adams:

The purpose of this letter is to acknowledge that you have requested Kaiser Foundation Health Plan of Colorado ("Health Plan") to collect any Late Enrollment Penalties that may be assessed by the Centers for Medicare & Medicaid Services (CMS) for your retirees and their dependents ("Members") who did not sign up for Medicare Part D prescription drug coverage when they were first eligible.

Starting January 1, 2020 and for the duration of your 2020 Plan Year, Health Plan will bill Members directly on a monthly basis if they owe a Late Enrollment Penalty. We will bill only for the amount of their Late Enrollment Penalty each month. An explanation of the Late Enrollment Penalty, along with instructions to contact Health Plan with questions or concerns, will be included with each month's statement. We will continue to bill the Members for the Late Enrollment Penalty during the Plan Year for as long as they remain enrolled in the Kaiser Permanente Senior Advantage coverage that you have purchased.

Please note that pursuant to federal guidelines, we may disenroll individuals for nonpayment of the Late Enrollment Penalty, consistent with our disenrollment policies for nonpayment of premium.

Your agreement with Health Plan indicates that we will increase your Premiums by the amount of the Late Enrollment Penalty owed by your Members. However, due to your request that we bill your Members directly, this acknowledgement letter hereby supersedes that provision. Accordingly, by this letter you acknowledge that the Group Agreement between Health Plan and County of Adams for the Plan Year January 1, 2020, is hereby amended as follows:

The following provision in the Section "Late Enrollment Penalty" is hereby deleted in its entirety:

*If any Members are subject to the Medicare Part D late enrollment penalty,  
Premiums for those Members will increase to include the amount of the penalty.*

To confirm your acceptance of the terms of this letter, please sign and date a copy of this letter.

Please contact your Health Plan Account Manager if you have questions about the Late Enrollment Penalty or the information in this letter.

Thank you.

Kaiser Permanente  
Account Management

THE ABOVE TERMS ARE UNDERSTOOD  
AND AGREED TO:

County of Adams

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO FORM  
COUNTY ATTORNEY

