



Medicare Sequestration Update

Effective July 1, 2022, Keystone First VIP Choice is to resume sequestration reductions to our Medicare payments, in line with sequestration payment adjustments being made by the Centers for Medicare and Medicaid (CMS) to Medicare fee-for-service claims. (See CMS' notice at [CMS.gov](https://www.cms.gov).)

This reduction will apply to payments made by Keystone First VIP Choice for covered items and services supplied to Keystone First VIP Choice members. The sequestration payment adjustment will be applied at the final payment level after all other edits, rules, and adjustments have been applied. The sequestration adjustment will be identified on your explanation of payment (EOP) as a withhold.

If you have questions, please contact your Provider Network Account Executive within 30 days of the date of this notice.

Thank you for your support in providing care to our members.