Date: April 11, 2010

Centers for Medicare & Medicaid Services
Office of the Administrator
Center for Medicare

Medicare Drug and Health Plan Contract Administration Group
(FCHH)

- Develops, evaluates, refines and reviews regulations, rulings, manuals, program guidelines, program memoranda, policy letters, and instructions to disseminate and effectively communicate program policies related to Medicare Advantage (MA) and other plan types (including all Part C employer group plans), to health plans, program contractors, employer group sponsors, and other stakeholders in the health care field.

- Develops new policies (e.g. health plan access, benefits, special needs plans) and programs to reflect changes in program objectives, the health care delivery system, beneficiary health care needs, and new plan types to support an appropriate range of choices for beneficiaries.

- Collaborates with our partners, such as industry, other government entities and advocacy groups, to understand their perspectives on Medicare managed care policies and procedures and to drive best practices in the Medicare managed care industry.

- Leads and coordinates efforts in setting standards and operational policies for the regulation and oversight of Medicare Part C and Part D marketing activities, including, but not limited to providing national direction to consortia and standardizing marketing materials.

- Analyzes trends including geographic access, premium and benefit changes, and enrollment and plan characteristics.

- Provides support for establishing Medicare health plan business requirements for the change request process for the Health Plan Management System and the Medicare Advantage Prescription Drug database.

- Coordinates with the Program Compliance and Oversight Group (PCOG), Center for Medicare (CM); the Consortium for Medicare Health Plans Operations (CMHPO), Chief Operating Officer (COO) and the Medicare Drug Benefit and C & D Data Group (MDBG), CM to establish a consistent feedback and response system to audit findings and corrective actions.

- Provides first line of defense in identifying and correcting routine Part C non-compliance in close coordination with the CMHPO, COO account managers. Supports PCOG, CM compliance activities by sharing data and/or information concerning Part C non-compliance issues and collaborating with PCOG, CM; CMHPO, COO and/or MDBG, CM concerning any compliance activities that may result.

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Medicare Drug and Health Plan Contract Administration Group (continued)

- Monitors the performance of all Medicare Advantage and Cost-Based plans relative to all Part C and Cost-Based plan program requirements and carries out these programs collaboratively with PCOG, CM; CMHPO, COO and MDBG, CM. Performance monitoring includes oversight and implementation of special studies, assessment surveys, targeted audits, evaluation of performance metric and reporting requirements outliers, analysis of qualitative information from CMHPO Account Managers, and investigation/referral to PCOG, CM of non-routine complaints/non-compliance or self-reported non-compliance.

- Develops all data-driven and ad hoc Part C monitoring letters, which include notices of non-compliance, warning letters, requests for business plans, and routine corrective action plan requests (excluding corrective action plan requests stemming from routine audits) and/or makes recommendation for routine compliance actions to the Part C account manager. Works closely with PCOG, CM other CM components and CMHPO in instituting higher level formal compliance or enforcement actions (e.g., corrective action plans, intermediate sanctions, civil monetary penalties (CMPs), and contract non-renewals/terminations).

- Coordinates all contract renewal/non-renewal and termination activities in collaboration with PCOG, CM; CMHPO, COO and MDBG, CM. Provides support to the CMHPO Regional Office staff in Medicare contract post-approval, non-renewal, and termination activities. Oversees beneficiary transition into other Medicare options when necessary.

- Investigates, evaluates, approves, or denies applications for new Medicare Advantage and Cost-Based Plan contracts and service area expansions of contracts. Develops applications, guidance, and standard operating procedures for the review and approval/denial of health plan applications. Integrates the CMHPO, COO review elements of applicant operations into approval or denial decisions.

- Coordinates with and provides technical assistance to CMHPO, COO, State regulators, health plans, and professional organizations on Medicare Advantage and Cost-Based plan applications and contracts, as well as Medicare Advantage and Cost-Based plan operations and program requirements.

- Ensures consistency and coordination of prescription drug components related to application review and approval, appeals, certain oversight of Medicare Advantage-Prescription Drug plans and Cost-PDs, and contracting.

- Reviews and approves all Medicare Advantage Organization mergers, Cost-Based plan mergers, acquisitions, changes of ownership, and novation agreements, consulting with the Medicare Drug Benefit and C & D Data Group when these actions impact Part D.

- Represents CMS and coordinates the CMHPO, COO, input in hearings before the CMS hearing officer for denied MA applicants seeking administrative review.

Medicare Drug and Health Plan Contract Administration Group (continued)

- Provides leadership and direction for strong, constructive and responsive communications with health plans.

- Provides leadership for the development, review, management, and analysis of special needs plans.

- Serves as the managed care lead in the management of the Program for the All –Inclusive Care of the Elderly (PACE) including: processing, reviewing, and approving all initial and expansion applications; executing the program agreement; and providing support to PCOG, CM in the monitoring of the entire program.

- Coordinates the monitoring and oversight function of PACE with other CMS components and with State licensing, regulatory, and enforcement agencies.

- Leads in the development, review, management, and analysis of coordinated care demonstration projects.

- Provides managed care support for the development and analysis of health care services in rural settings.

- Reviews and analyzes benefit packages submitted by all Medicare Advantage (MA) plans through the annual bidding process. Reviews the benefits packages to ensure they are in accordance with applicable laws and regulations and are non-discriminatory.

- Conducts negotiations for MA plans with high cost sharing. Coordinates with the Office of the Actuary (OACT) on benefit-pricing issues, bid negotiations and approval of bid submissions.

- Approves plan benefit proposals submitted by health plans. Reviews and approves requests for plan corrections. Coordinates with CMHPO, COO on plan corrections and other benefits issues. Coordinates rebate reallocation impacts on benefits with OACT. Coordinates with MDBG, CM and OACT in the final approval of Medicare Advantage Organizations.

- Coordinates with the Office of Financial Management, COO; PCOG, CM; CMHPO, COO and other affected parties to communicate and close out MA organization audit findings.

- Reviews and analyzes portions of Medicare health plan and Part D applications and contracts to ensure fiscal soundness and insolvency protection. Provides technical assistance concerning plan fiscal soundness and insolvency protection to CMS Central and Regional Office (CMHPO, COO) components.

Medicare Drug and Health Plan Contract Administration Group (continued)

- Conducts ongoing financial reviews in terms of fiscal soundness and insolvency protection of MA, MA-PD or Special Needs Plans and stand alone Part D sponsors, including Part C and Part D employer group direct-contract plans.

- Reaches out to new and renewing organizations through annual training and/or other ongoing training and outreach activities.

- Analyzes financial data and develops and maintains an early warning system to identify financially troubled health plans and Part D sponsors (includes Part C and Part D employer group direct-contract plans), including analysis of financial data.

- In collaboration with CM Business Operations Staffs and the Office of Acquisition and Grants Management, COO develops and negotiates procurement contracts which include the development of contractor specifications, work statements, and evaluation criteria to support group programmatic functions, as needed. Evaluates, assesses, and monitors contractors' performance to ensure compliance with contractor requirements and the Federal Manager's Financial Integrity Act.