

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850



MEDICARE PARTS C & D OVERSIGHT AND ENFORCEMENT GROUP

May 27, 2015

Ms. Nancy Jenkins
President and Chief Executive Officer
HealthPlus of Michigan
2050 S. Linden Road
Flint, MI 48532

Re: Notice of Release of Intermediate Sanction (Suspension of Enrollment) for Medicare Advantage-Prescription Drug Plan Contract Number H2354

Dear Ms. Jenkins,

On March 12, 2015, the Centers for Medicare & Medicaid Services (CMS) imposed an intermediate sanction on HealthPlus of Michigan contract H2354 and HealthPlus Insurance Company contract H1595 (collectively, "HealthPlus"), thereby suspending enrollment activities for its Medicare Advantage-Prescription Drug (MA-PD) contracts. The sanction was imposed as a result of the Michigan Department of Insurance and Financial Services filing a Notice and Order of Supervision, which suspended HealthPlus' ability to write new business (enroll new members) as of close of business on March 9, 2015. Therefore, HealthPlus was in violation of 42 C.F.R. § 422.504(a)(1) and 423.505(b)(2), which requires organizations offering MA-PD plans to accept new enrollments.

On May 27, 2015, the State of Michigan Department of Insurance and Financial Services issued a Notice and Order of Partial Termination of Supervision. This order terminated the March 9, 2015 Notice and Order of Continued Supervision and the May 8, 2015 Notice and Order of Continued Supervision pertaining to HealthPlus of Michigan only, thereby allowing HealthPlus of Michigan to accept new enrollments. As a result, HealthPlus of Michigan is no longer in violation of CMS enrollment requirements and CMS is releasing the intermediate sanction from contract H2354, effective May 27, 2015.

CMS' intermediate sanction remains in place for HealthPlus Insurance Company contract H1595.

CMS expects HealthPlus of Michigan to remain in good standing with the State of Michigan, noting any future failures to comply with CMS requirements may subject HealthPlus of Michigan to other applicable remedies available under law, including the imposition of intermediate sanctions, civil money penalties, or contract termination or non-renewal as

described in 42 C.F.R. Parts 422 and 423, Subparts K and O. If you have any questions about this notice, please call or email the enforcement contact provided in your email notification.

Sincerely,

/s/

Gerard J. Mulcahy
Director
Medicare Parts C & D Oversight and Enforcement Group

cc: Heather Lang, CMS/CMHPO/Region V
Raymond Swisher, CMS/CMHPO/Region V
Judy Weaver, State of Michigan Department of Insurance and Financial Services
Jim Gerber, State of Michigan Department of Insurance and Financial Services
David Paxton, HealthPlus of Michigan, Medicare Compliance Officer