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DATE: June 1, 2011

TO: All Medicare Advantage Organizations, Prescription Drug Plan Sponsors and Section 1876 Cost Plans

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SUBJECT: Issuance of Contract Year 2012 Model Marketing Materials

The Centers for Medicare & Medicaid Services (CMS) announces the release of several important Contract Year (CY) 2012 model marketing materials: the standardized Annual Notice of Change (ANOC) and Evidence of Coverage (EOC) templates, Provider Directory, Outbound Education Verification Script, Outbound Education Verification Letter, Scope of Appointment Form, Part D Abridged Formulary, Comprehensive Formulary, Excluded Provider Letter, Pharmacy Directory, Prescription Transfer Letter, Transition Letter, LIS Website Premium Summary Table, and LIS Rider documents. Please note that we will release the model Explanation of Benefits (EOB) document separately. All models were updated with minimal revisions, with the exception of the ANOC/EOC templates.

In keeping with our continuing efforts to update and improve marketing communications, we released the draft ANOC/EOC templates for public comment on February 1, 2011. We received more than 1,800 comments from 72 entities, including MAOs, PDP sponsors, consumer advocacy groups, health plan associations, and State Departments of Health. After careful analysis of all comments received, we have made a number of important revisions to the draft, including the addition of new templates.

For CY 2012, we are releasing nine ANOC/EOC templates to better accommodate the unique features of various plan types. In addition, we made changes to the ANOC/EOC templates to incorporate recent policy updates and feedback received during the public comment period and consumer testing and to enhance messaging through the use of plain language. We provide a high-level summary of the most significant changes below.

Created New Templates and Incorporated New Language

- Created a Dual Eligible Special Needs Plan (SNP) ANOC/EOC template
- Separated the PPO ANOC/EOC into PPO-MA only and PPO-MAPD templates
- Inserted Chronic Care and Institutionalized SNP language in the PPO and HMO MAPD templates

Changes to All ANOC/EOC Templates

- Removed duplicative introductory sections from the ANOC that appeared immediately after the front cover (reduced approximately three pages)
- Revised ANOC language regarding passive enrollments due to consolidations and terminations
- Added optional section in ANOC for plans to describe administrative changes that impact members (e.g., changes to how members pay their monthly premiums)
- Added sections and language describing the type of plan in which the beneficiary is currently enrolled
- Converted graphics into tables to address plan concerns regarding graphic resolution
- Added section to describe coordination of benefits
- Revised dates and added language to explain new AEP dates (October 15 to December 7, 2011)
- Revised language related to the Part D income-related monthly adjustment amount (IRMAA)
- Revised instructions/language for multi-state plans for how to describe state-specific resources (e.g., SHIPs)
- Revised definitions throughout for consistency with other CMS communications

Changes to Part D ANOC/EOC Templates

- Revised requirements to display deductible and coverage gap stage language for consistency with the Part D EOB
- Expanded language related to the Medicare Coverage Gap Discount Program including clarifying members pay a dispensing fee on brand drugs and plan payments for generic drugs do not count toward TrOOP
- Updated chart to allow plans to describe changes in cost sharing for different types of pharmacies (e.g., preferred and non-preferred, mail order, etc.) or for extended-day supplies
- Added alternate text for plans in U.S. territories to replace the description of LIS

Changes to All MA ANOC/EOC Templates

- Added language to describe rules for ownership of durable medical equipment
- Added language to describe balance billing protections
- Added a service category descriptor for Outpatient Hospital Services
- Added section in benefits chart for plans to describe yearly deductibles and service category deductibles (not applicable to MSA)
- Revised language related to maximum out-of-pocket thresholds (not applicable to MSA)
- Revised language related to coverage for preventive services

Changes to MAPD ANOC/EOC Templates

- Included language regarding special eligibility criteria for I-SNPs and C-SNPs
- Included language regarding I-SNP eligibility for a SEP

Changes to PPO ANOC/EOC Templates

- Revised references to “catastrophic out-of-pocket maximum” to “combined maximum out-of-pocket amount”

Changes to PFFS ANOC/EOC Templates

- Added language regarding a member’s right to a coverage decision when using out-of-network providers

Changes to Section 1876 Cost Plan ANOC/EOC Templates

- Revised language to reflect that cost plan members should use their Medicare card when getting services out-of-network
- Revised language describing when a member can disenroll

Changes to MSA ANOC/EOC Templates

- Removed all instructions for MSA demonstration plans
- Added section in ANOC for plans that are changing the MSA trustee

Plan sponsors are reminded that the ANOC/EOC models are standardized documents that must not be modified except as noted in the instructions and allowed by CMS. All templates, models and applicable instructions are posted on the CMS Part C Marketing web page:

www.cms.hhs.gov/ManagedCareMarketing

The Part D models and summary of changes made to these models are located on the Part D Marketing Models web page:

www.cms.hhs.gov/PrescriptionDrugCovContra/PartDMMM/list.asp.

Plan sponsors should ensure that their marketing documents for CY 2012 are compliant with CMS guidance prior to submitting in HPMS. Plan sponsors with questions on these materials should direct them to their CMS Account Manager.