



MEDICARE DRUG & HEALTH PLAN CONTRACT ADMINISTRATION GROUP

DATE: January 12, 2016

TO: All Medicare Advantage Organizations and Network Private Fee-For Service Initial and Service Area Expansion Applicants and Transitioning Incumbent PFFS Plans

FROM: Kathryn A. Coleman
Director

SUBJECT: Release of Contract Year 2017 Medicare Advantage Health Services Delivery Guidance and Reference Tables

This memorandum serves to announce the release of the availability of the Contract Year (CY) 2017 network adequacy criteria, CMS's methodology for the establishment of these standards, and general network guidance to MAOs. CMS has posted this information in two documents: (1) *Health Services Delivery Reference Files*; and (2) *Contract Year 2017 Medicare Advantage Health Service Delivery Guidance and Methodology*, on the MA application website at: <http://www.cms.hhs.gov/MedicareAdvantageApps/>.

Medicare Advantage Organizations (MAOs) are required to meet CMS's network adequacy criteria in accordance with 42 CFR 422.112(a)(1). Each year, CMS evaluates the health care needs of the Medicare population and establishes minimum network criteria that an MAO must meet for its approved service area. Organizations that apply to offer Coordinated Care Plans and network Private Fee-For-Service Plans must also demonstrate their ability to comply with CMS's minimum network criteria as part of the Medicare Advantage (MA) application process.

For the CY 2017 MA application process, CMS has changed the way organizations conduct pre-checks on Health Service Delivery (HSD) tables submitted in support of an organization's network. Once the CY 2017 MA application is released, applicants will have unlimited ability to check networks against current CMS's criteria using the Network Management Module (NMM). The NMM allows organizations to evaluate HSD provider and facility tables against CMS's network criteria and receive the results of that analysis from HPMS. For instructions on how to use the NMM, organization should reference the HPMS memo dated December 23, 2015 entitled *Release of Network Management Module in the Health Plan Management System*.

Please send any questions regarding these topics to <https://dmao.lmi.org/> and select the Applications Tab.