

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Drug and Health Plan Choice
7500 Security Boulevard, Mail Stop C4-23-07
Baltimore, Maryland 21244-1850



MEDICARE DRUG AND HEALTH PLAN CONTRACT ADMINISTRATION GROUP

September 30, 2008

VIA FEDERAL EXPRESS DELIVERY

Mr. Antonio Marrero
Chairman and CEO
MD Medicare Choice
5501 West Waters Avenue, Suite 401
Tampa, FL 33634
Email Address: amarrero@mdmedicarechoice.com
FAX: 813-901-9209

Re: Notice of Expedited Termination of Medicare Advantage Organization Contract Number H5729

Dear Mr. Marrero:

By this letter, the Centers for Medicare & Medicaid Services ("CMS") notifies you of its decision to expeditiously terminate (effective 11:59:59 P.M. EDT September 30, 2008) MD Medicare Choice's Medicare Advantage-Prescription Drug ("MA-PD") contract H5729 pursuant to 42 U.S.C. 1395w-27 (h)(2), 42 C.F.R. § 422.510(a)(5) and (b)(2), and Art. VIII.B.1.(v) of contract H5729 between CMS and MD Medicare Choice.

CMS' determination to expeditiously terminate MD Medicare Choice's contract is based upon the Leon County, Florida Circuit Court's September 29, 2008 decision to order MD Medicare Choice into liquidation effective on September 30, 2008, at 11:59 p.m. Under this liquidation order, the Florida Department of Financial Services (DFS) is appointed Receiver of MD Medicare Choice for purposes of liquidation. The action by the State of Florida to petition the Court to liquidate MD Medicare Choice was based upon the Florida Office of Insurance Regulation's determination that the company is in an insolvent financial position.

The aforementioned State of Florida financial determinations and the concomitant Leon County, Florida Court liquidation order demonstrate the degree and severity of MD Medicare Choice's financial difficulties, and the liquidation order eliminates any possibility that MD Medicare Choice could provide access to services after 11:59 pm on September 30. CMS is therefore terminating its contract with MDMC based on our expedited termination authority at 42 C.F.R. § 422.510(a)(5) and (b)(2). This authority authorizes CMS to terminate a contract when a Medicare Advantage organization's ability to make health services available to its enrolled Medicare beneficiaries is sufficiently impaired to impose an imminent and serious risk to the health of MD Medicare Choice's Medicare enrollees.

Right to Request a Hearing

This contract determination is effective at 11:59:59 P.M. EDT on September 30, 2008. However, MD Medicare Choice may request a hearing before a CMS hearing officer in accordance with the procedures outlined in 42 C.F.R. § 422.660 through 42 C.F.R. §422.696. Pursuant to 42 C.F.R. §422.662, your written request for a hearing must be received by CMS within 15 calendar days from the date CMS notified you of this determination. CMS considers receipt of notice as the day after notice is sent by fax, e-mail, or overnight mail or in this case, October 15, 2008. Your hearing request will be considered officially filed on the date that it is mailed; accordingly, we recommend using an overnight traceable mail carrier. Please note that in accordance with 42 C.F.R. §422.664(b)(2) the contract between CMS and MD Medicare Choice will be terminated effective 11:59:59 P.M. EDT September 30, 2008, and will not be postponed if a hearing is requested.

MDMC may submit a request for hearing to the following CMS official:

Brenda J. Tranchida
Director,
Program Compliance and Oversight Group
Centers for Medicare & Medicaid Services
7500 Security Boulevard
MAIL STOP: C1-22-06
Baltimore, MD 21244
Email: brenda.tranchida@cms.hhs.gov
FAX: 410-786-6301

A courtesy copy of your request should also be sent by e-mail to the CMS Hearing Officer on the date you mail your request. CMS will consider the date the Office of Hearings receives your e-mail or the date it receives the fax or traceable mail document, whichever is earlier, as the date of receipt of your request. Your request for a hearing must include the name, fax number and e-mail address of the contact within your organization (or the attorney who has a letter of authorization to represent your organization) with whom you wish us to communicate regarding the hearing request. The request for a hearing must be sent to the CMS Hearing Office at the following address:

Benjamin Cohen
CMS Hearing Officer
Office of Hearings
ATTN: HEARING REQUEST
Centers for Medicare and Medicaid Services
2520 Lord Baltimore Drive, Suite L
Mail Stop LB-01-22
Baltimore, MD 20244-2670
Phone: (410) 786-3169
E-Mail: Benjamin.Cohen@cms.hhs.gov

If you have any questions about this determination, please do not hesitate to contact me directly at (202) 260-1291.

Sincerely,

A handwritten signature in black ink, appearing to be 'T. DeCaro', followed by a horizontal line extending to the right.

Teresa DeCaro, RN, M.S.
Acting Director
Medicare Drug and Health Plan
Contract Administration Group

cc:

Ms. Brenda Tranchida, CMS/CPC/PCOG
Ms. Carol Bennett, DHHS/OS/OGC
Mr. Jim Kerr, CMS/OA/CMHPO
Ms. Teresa, DeCaro, CMS/CPC/MCAG
Ms. Cynthia Tudor, CMS/CPC/MDBG
Ms. Nancy Brown DHHS/OIG/OCIG
Mr. Peter Ashkenaz, CMS/OEA
Ms. Kimberly Brandt, CMS/OFM/Program Integrity
Ms. Gloria Parker, CMS/CMHPO/Region IV
Mr. Al Willis, Florida Office of Insurance Regulation
Ms. Mary Schwantez, Florida Division of Financial Services