

MEDICARE DRUG AND HEALTH PLAN CONTRACT ADMINISTRATION GROUP

DATE: September 23, 2010

TO: All 1876 Cost Contract Plans

FROM: Danielle R. Moon, J.D., M.P.A.
Director

SUBJECT: Notice of Corrections to Cost Contract ANOC/EOC template

On May 27, 2010 CMS released a memo announcing the issuance of the final 2011 Annual Notice of Change/Evidence of Coverage (ANOC/EOC) standardized templates for all plan types. The purpose of this memo is to advise cost-based contractors of two corrections for areas in the cost contract template that cost contract plans must use in their 2011 ANOC/EOCs.

- **Cost Contract EOC Chapter 3, Section 5.2 “When you participate in a clinical research study who pays for what?”**

This section discusses cost contract plan cost-sharing responsibilities in the case of clinical trials and currently includes the following language:

“Once you join a Medicare-approved clinical research study, you are covered for routine items and services you receive as part of the study, including:

- Room and board for a hospital stay that Medicare would pay for even if you weren’t in a study.
- An operation or other medical procedure if it is part of the research study.
- Treatment of side effects and complications of the new care.

Original Medicare pays most of the cost of the covered services you receive as part of the study. After Medicare has paid its share of the cost for these services, our plan will also pay for part of the costs:

- We will pay the difference between cost-sharing in Original Medicare and your cost-sharing as a member of our plan. This means your cost for the services you receive as part of the study will not be higher than they would be if you received these services outside of a clinical research study.
- We will pay the Medicare Part A or B deductible.”

As cost contract plans are not required to pay the difference between a plan's cost-sharing for similar services and Original Medicare cost-sharing, plans not paying the difference must replace the section of Chapter 3, Section 5.2 cited above with the following standardized replacement language:

“Once you join a Medicare-approved clinical research study, you are covered for routine items and services you receive as part of the study, including:

- Room and board for a hospital stay that Medicare would pay for even if you weren't in a study.
- An operation or other medical procedure if it is part of the research study.
- Treatment of side effects and complications of the new care.

Original Medicare pays most of the cost of the covered services you receive as part of the study.”

With the exception of the replacement language provided, plans not paying the difference between the plan's cost-sharing for similar services and Original Medicare must retain all other original language from Chapter 3, Section 5.2.

Plans that do pay the difference in cost-sharing must retain the original language in Chapter 3, Section 5.2.

- **Cost Contract EOC Chapter 4, Section 1.2 (What is the maximum amount you will pay for Medicare Part A and Part B covered medical services?)**

This section identifies the out-of-pocket maximum a cost contract plan may have. As a MOOP isn't required of cost plans, cost plans not offering a MOOP should delete Chapter 4, Section 1.2. Cost plans with a MOOP must retain the original language in Chapter 4, Section 1.2.

Please see <http://www.cms.gov/ManagedCareMarketing/> for the 2011 ANOC-EOC cost template and instructions when making the specified revisions to the original language.