

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



MEDICARE DRUG & HEALTH PLAN CONTRACT ADMINISTRATION GROUP

AD HOC CORRECTIVE ACTION PLAN

June 14, 2017

Contract Number(s): H4931

Theresa Dorazio
Banner Health
2701 E Elvira Rd
Tucson, AZ 85756

VIA EMAIL: Theresa.Dorazio@bannerhealth.com

RE: CY 2017 INACCURATE ANNUAL NOTICE OF CHANGE/EVIDENCE OF
COVERAGE (ANOC/EOC)

Dear Ms. Dorazio:

The Centers for Medicare & Medicaid Services (CMS) is issuing this determination for a Corrective Action Plan (CAP) to your organization based on the issuance of inaccurate Annual Notice of Change/Evidence of Coverage (ANOC/EOC) documents to your Medicare enrollees for the Contract Year 2017.

Federal regulations at 42 C.F.R. §§ 422.111, 423.128, 422.2264, and 423.2264 require Medicare Advantage Organizations and Prescription Drug Plan Sponsors (organizations) to disclose plan descriptions in a clear, accurate, and standardized form. Your organization failed to accurately describe benefits and/or cost sharing information in your ANOC/EOC documents; this determination was based exclusively on our review of your errata sheets. Failure to provide correct information prevents enrollees from making a fully informed health care choice. Therefore, your organization is out of compliance with CMS requirements.

CMS requests that your organization implement a detailed CAP to ensure ANOC/EOC documents are accurate prior to mailing. Please send the CAP to Yolanda Li, Account Manager at Yolanda.Li@cms.hhs.gov no later than 30 days from the date of this letter.

CMS is issuing this compliance notice pursuant to 42 CFR §422.510(c) and 42 CFR §423.509(c), which require CMS to afford an organization at least 30 days to develop and implement a corrective action plan to correct deficiencies before taking steps to terminate an organization's Medicare contract. While CMS is not obligated to grant a greater than 30-day cure period, we acknowledge that an extended period may be appropriate, depending on the nature of the correction required. CMS advises that, for any part of its timeline scheduled to be completed in more than 30 days, your organization provide a justification of the need for that additional

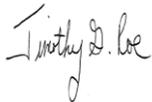
time. CMS expects that the correction timeline will be no longer than absolutely necessary and will reflect an appropriate level of urgency in resolving this matter.

CMS has the authority to impose sanctions, penalties, and other enforcement actions as described in Federal regulations at 42 CFR 422 and 423 Subpart O. Should your organization fail to develop, implement, or complete its CAP, CMS may consider the imposition of intermediate sanctions (e.g., suspension of marketing and enrollment activities), or civil money penalties.

Please be aware that this letter will be included in the record of your organization's past Medicare contract performance, which CMS will consider as part of our review of any application for new or expanded Medicare contracts your organization may submit. This letter is considered a Part C and D issue with beneficiary impact for past performance purposes. CMS notes that we are issuing this compliance notice based exclusively on information that we obtained from sources other than the organization's own self-disclosure. CMS does not consider the submission of errata sheets to be self-disclosure, as organizations are required to review their ANOC/EOC documents and submit errors to CMS.

If you have any questions, please send an email to Lauren Dulay, at Lauren.Dulay@cms.hhs.gov, and Barbara Gullick, at Barbara.Gullick@cms.hhs.gov, and copy your Regional Office account manager.

Sincerely,



Timothy G. Roe, Director
Division of Surveillance, Compliance and Marketing

cc via email: Christine Reinhard, Part C Compliance Lead
Scott Nelson, Part D Compliance Lead
Lauren Dulay, Part C Compliance Project Lead
Barbara Gullick, Part C Compliance Project Lead
Yolanda Li, Account Manager