



**MEDICARE DRUG & HEALTH PLAN CONTRACT ADMINISTRATION GROUP**

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**DATE:** January 31, 2014

**TO:** All Medicare Advantage Organizations

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

**SUBJECT:** Updates Regarding Final Part C EOB Model Templates and Implementation of the Part C EOB

This memorandum is to provide you with the final templates and instructions for the Part C Explanation of Benefits (EOB) requirement for Medicare Advantage organizations (MAOs). Please note that these have not yet been approved for official Medicare use but we expect them to be approved soon. As stated in earlier guidance, we are requiring MAOs to issue EOBs that include the information reflected in the attached templates beginning **April 1, 2014**.

In response to public comments, including those made through the Paperwork Reduction Act clearance process, we have made a number of changes to the templates and our requirements to afford MAOs additional flexibility. Among those changes are the following:

- MAOs are required to send EOBs either monthly or on a per claim basis with quarterly summary statements. However, MAOs that wish to use EOBs that are different from the CMS-developed templates may do so, as long as the EOB includes all of the information presented in the attached templates.
- CMS views the Part C EOB templates as ad-hoc member information materials; therefore, they are not subject to CMS review and approval. However, CMS reserves the right, as with other ad-hoc member information, to request and review a sample of the materials to ensure compliance with our requirements.
- CMS will not require EOBs to be sent unless there is claims activity to report.
- To accommodate MAOs that need to develop processes for obtaining cost information from capitated entities, we are delaying, until January 1, 2015, implementation of the requirement to report cost information in the “Total cost” and “Plan’s share” columns. In the interim period, in lieu of dollar amounts, MAOs may insert language in each of those columns to indicate that the rate has been pre-negotiated and who the member may contact to obtain that information. Suggested language is included in the templates.

- We clarify that, although MAOs are encouraged to use the HCPCS and CPT code descriptors (either standard or consumer versions) and other standard codes and descriptors, other commercially-available code descriptors are acceptable.

Please direct any questions regarding this memorandum to [PartCEOB@cms.hhs.gov](mailto:PartCEOB@cms.hhs.gov).

Attachments: HMO Monthly Template  
HMO Quarterly Template  
MSA Monthly Template  
MSA Quarterly Template  
PFFS Monthly Template  
PFFS Quarterly Template  
PPO Monthly Template  
PPO Quarterly Template