



MEDICARE DRUG & HEALTH PLAN CONTRACT ADMINISTRATION GROUP

DATE: February 6, 2014

TO: Current and Future Medicare Advantage Organizations

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

SUBJECT: Clarification and corrections to the Contract Year 2015 Medicare Advantage application

The purpose of the memorandum is to clarify and correct sections of the CY2015 Medicare Advantage (MA) application.

- The 2015 HSD Exception Request Template has been updated. The specific changes that occurred are:
 - Question 1 - the title of the report has changed from “HSD Beneficiary Coverage Zip Code Report” to “Zip Code Report for Failed Counties.”
 - Question 2 - Medicare.gov was updated and so the travel distance choices have increased from 1 mile to 100 miles in preset increments.

Please go to the MA applications link below and re-download the zip file titled “Contract Year (CY) 2015 Part C (Medicare Advantage) and 1876 Cost Plan Expansion” to ensure that you have the most up to date version of the 2015 HSD Exception Request Template.
<http://www.cms.gov/Medicare/Medicare-Advantage/MedicareAdvantageApps/index.html>

- CMS has updated the CY2015 MA Application Initial and SAE Read Me Files. Specifically, under the application section “Provider Contracts & Agreements,” we removed all documents that were marked “not required” in column F. Please log into HPMS and re-download the MA Application download templates. The updated read me files are titled:
CY2015 MA Application Read Me File SAE 1-27-2014
CY2015 MA Application Read Me File_Initial App 1-27-2014
- Section 3.9, *CMS Provider Participation Contracts & Agreements*, addresses the requirements of 42 CFR 422.504, which require that MAOs have oversight for contractors, subcontractors, and other entities. The intent of the regulations is to ensure services provided by these parties meet contractual obligations, laws, regulations, and CMS instructions. In previous application review periods, CMS has required applicants to upload a sample of fully executed provider contracts for review purposes. For the

CY2015 application review period, CMS will not request a sample of these contracts for review. We remind all applicants that CMS continues to hold the MAO responsible for the compliance of its providers and subcontractors with all contractual, legal, regulatory, and operational obligations.

- Similarly, Section 3.10, *Contracts for Administrative & Management Services*, describes the requirements applicants must demonstrate to ensure that any contracts for administrative/management services comply with the requirements of all Medicare laws, regulations, and CMS instructions in accordance with 42 CFR 422.504(i)(4)(v). Applicants are required to upload, in HPMS, executed administrative management contracts or letters of agreement for each contractor or subcontractor (first tier, downstream, and related entities). Applicants also must upload a completed CMS Administrative/Contracting Required Provision Matrix. Please be advised that for the CY2015 Part C application cycle, we will not be reviewing these uploaded materials. Applicants must still upload the required documents as CMS reserves the right to review these documents outside of the application review cycle. This applies only to the Part C review of application materials. The Part D application review process will continue to review these documents in its review of administrative and management services.

Please direct any questions regarding this memorandum to <https://dmao.lmi.org/> and submit questions by clicking on the MA Applications tab.