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DATE: May 17, 2011

TO: All Current Medicare Advantage, Medicare Advantage-Prescription Drug, Prescription Drug Plans, Employer Group Waiver Plans, and Cost-Based Plan Organizations

FROM: Danielle R. Moon, J.D., M.P.A., Director
Medicare Drug & Health Plan Contract Administration Group

Cynthia G. Tudor, Ph.D., Director
Medicare Drug Benefit and C & D Data Group

SUBJECT: Contract Year 2012 Non-Renewals and Service Area Reductions

As provided in the contract year (CY) 2012 Final Call Letter (refer to Appendices A-1, A-2, B-1, and B-2), there are limited options for transitioning members from a plan benefit package (PBP) that is being terminated or whose service area is being reduced to another PBP. Additionally, we recently provided instructions on requesting a crosswalk exception in our May 12, 2011 HPMS memorandum entitled, "Process for Requesting an HPMS Crosswalk Exception for Contract Year (CY) 2012." Please follow the instructions provided in these documents when submitting a request for the permissible exceptions outlined.

All non-renewal or service area reduction (NR/SAR) requests, including full contract non-renewals and PBP level non-renewals, that involve beneficiaries who will not be transitioned to a new PBP should be sent via e-mail on your organization's official letterhead (pdf file) to nonrenewals@cms.hhs.gov. In the letter, please state your contract and PBP numbers, whether the contract is being non-renewed or the service area is being reduced, the counties/states affected, and your organization's contact person. Please also explain the reason your organization has decided to NR/SAR its contract(s) or PBP(s). In a separate email, please forward your request to your account manager. Please submit this information to CMS no later than June 6, 2011.

If you have any questions or concerns, please feel free to contact Rochel Schnur at Rochel.Schnur@cms.hhs.gov or 410-786-4691.