



MEDICARE DRUG & HEALTH PLAN CONTRACT ADMINISTRATION GROUP

DATE: June 17, 2013

TO: All Medicare Advantage Organizations

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

SUBJECT: Draft Final Part C EOB Model Templates and Implementation of the Part C EOB

The purpose of this memorandum is to advise you that the draft final model templates for the Part C Explanation of Benefits (EOB) requirement for Medicare Advantage organizations (MAOs) are now available at <http://www.cms.gov/Medicare/Health-Plans/HealthPlansGenInfo/index.html>. These templates are being provided to you for informational purposes at this time, as they have not yet been approved for official Medicare use. This memorandum also serves to inform you that we are not requiring use of these models until **April 1, 2014**, in order to allow additional time for completion of the information collection process, and for MAOs to prepare for implementation.

In response to industry comments, we shortened the templates by removing two sections, streamlined the presentation of the information and modified some of the language to be more beneficiary-friendly. Although these templates are subject to additional changes pending the outcome of the upcoming 30-day comment period under the formal information collection process, we do not expect the final format to change considerably.

As we stated in our guidance memorandum issued on October 18, 2012, we are offering the following options for the EOB in order to provide flexibility to MAOs while ensuring that the information is meaningful and provides value to beneficiaries:

- 1) Send members an EOB each month by the end of the month following the month in which members' claims for medical and supplemental benefits were processed, using model language (attached); or
- 2) Send members an EOB for each claim in addition to sending quarterly summary EOBs. The quarterly EOBs would be sent at the end of the month following the calendar year quarter in which claims were processed (i.e., January 1-March 30, April 1-June 30, July 1-September 30, and October 1-December 31).

Thus, for an April 1, 2014 implementation, this means that the first monthly EOBs would be mailed no later than May 31, 2014, and the first quarterly EOBs would be mailed no later than July 31, 2014, for the second quarter of 2014.

Instructions within the model templates describe how to use the sections for the per claim/quarterly summary option. Please note that we have included appropriate standardized appeals language for organizations that use per claim EOBs in lieu of issuing a Notice of Denial of Payment (CMS-10003). Those organizations must comply with CMS guidance at Section 40.2 of Chapter 13 of the Medicare Managed Care Manual, which includes notice requirements for standard organization determinations. As noted in our initial memorandum, we are not requiring plans to provide an EOB to dual eligible enrollees at this time.

The content of the draft Part C EOB templates is formatted for a monthly mailing, similar to the Part D EOB. The revised templates include general instructions, medical and hospital claims, and details for claims processed. We also have included quarterly summary templates for plans submitting per claim EOBs that are specific to each plan type and an example of a completed monthly EOB for the HMO model.

We will advise MAOs when the new templates are approved and will provide additional instructions at that time. Please note that you will have the opportunity to comment on the information collection requirements associated with the EOB requirement when we publish our proposal in an upcoming notice in the Federal Register.

Please submit any questions to: PartCEOB@cms.hhs.gov.