



DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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CENTER FOR MEDICARE

Date: April 11, 2013

To: Medicare Advantage Organizations and Prescription Drug Plan Sponsors

From: Gerard J. Mulcahy, Director
Medicare Parts C and D Oversight and Enforcement Group

Subject: Release of the Special Needs Plans – Model of Care 2013 Program Audit Protocol

On January 25, 2013, the Centers for Medicare & Medicaid Services (CMS), Program Compliance and Oversight Group (PCOG) released its 2013 Program Audit Process and Protocols¹ that will be used to conduct program audits for Medicare Advantage Organizations and Prescription Drug Plan sponsors (hereinafter “sponsors”). The release included protocols designed to ensure compliance with CMS requirements in the following areas:

- Part D Formulary and Benefit Administration
- Part D Coverage Determinations, Appeals, and Grievances
- Part C Organization Determinations, Appeals, and Grievances
- Part C and Part D Outbound Enrollment Verification Calls (OEV)
- Part C and Part D Compliance Program Effectiveness

The January 25, 2013 release also introduced the Special Needs Plans (SNP) – Model of Care (MOC) protocol that is new to 2013 Program Audits. The memo stated that this protocol would be released at a later date, as it was still under development by CMS at that time. Now that the SNP- MOC protocol is complete, CMS is providing it to the industry as a tool to assist you in monitoring, auditing, and overseeing your organization’s operations with the aim of leading to better performance outcomes and ultimately better outcomes for SNP beneficiaries.

As mentioned in the January 25, 2013 memo, the SNP-MOC audit will be conducted virtually via webinar² during the first week of the new two-week audit process. CMS will work with

¹ Protocols define the audit purpose, universe selection, sample selection, evidence required, and the compliance standards tested. These are not the Methods of Evaluation (MOEs) that describe step by step how to conduct the audit. MOEs are internal to CMS and will not be released.

² Not all audits are conducted virtually. CMS reserves the right to conduct the SNP-MOC audit onsite if needed.

sponsors who have a SNP contract and who were audited prior to the release of the SNP-MOC protocol to schedule the audit of their applicable SNP contracts.

If you have questions, please send an email to part_c_part_d_audit_pcog@cms.hhs.gov.