DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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Baltimore, Maryland 21207-0512

TO: Medicare Advantage & Prescription Drug Plan Sponsors and Certifying Actuaries

FROM: Paul Spitalnic, Director, Parts C & D Actuarial Group

DATE: June 4, 2013

SUBJECT: Initial Actuarial Certification Deadline

As part of the Contract Year (CY) 2014 bid submission requirements, an actuarial certification must be submitted, via the HPMS actuarial certification module, for every Bid Pricing Tool (BPT) uploaded to HPMS. Certifying actuaries will be required to complete the certification process twice prior to bid approval—once in June and again in August—as discussed in Appendix A of the CY 2014 bid instructions. The actuarial certification module is now available, and all initial certifications must be completed by **Monday June 10, 2013**. In August, we will announce the deadline for the certification of the final bid submission.

Please note that if a certification is not submitted via the HPMS actuarial certification module, the bid(s) will not be considered for CMS review or approval. Completing the actuarial certification is only one of the bid submission requirements. All other requirements must be completed by the appropriate deadlines in order for the bid to receive consideration for approval by CMS.

We encourage actuaries to review the information uploaded to HPMS pertaining to the bids that they will certify. Any inconsistencies within the BPT, or between the BPT and the Plan Benefit Package (PBP), should be discussed with the plan sponsor before they are brought to the attention of CMS. Should any changes to submissions seem warranted, please contact Tristan Cope or Rebecca von Funk at BidReviewC@cms.hhs.gov as soon as possible. In your communication to CMS, you must clearly identify the contract/plan(s) and the specific issue(s) involved, and you must explicitly indicate which component(s) of the bid submission are proposed to change (MA PBP, PD PBP, MA BPT, or PD BPT). You must also demonstrate that the purpose of the request is to correct an error and that the change is consistent with the original assumptions used to develop the bid before June 3, 2013. CMS will review resubmission requests on a case-by-case basis to evaluate the appropriateness of any proposed changes.

The following pages of this memorandum provide resources for additional information regarding the actuarial certification process and technical instructions for completing the HPMS certification module.

For Additional Information

For additional information on the CY 2014 certification requirements and process, please refer to the following resources:

- Appendix A of the CY 2014 MA and Part D Bid Pricing Tool instructions, for more information on the actuarial certification requirements and process.
- Appendix B of the CY 2014 MA and Part D Bid Pricing Tool instructions, for supporting documentation requirements for reliance information.
- Chapter 9 of the CY 2014 Bid Submission User's Manual.

For questions regarding the resubmission of bids based on the actuarial certification review, please contact Tristan Cope or Rebecca von Funk at BidReviewC@cms.hhs.gov.

For technical questions or problems regarding the certification module, please contact the HPMS Help Desk at 1-800-220-2028 or hpms@cms.hhs.gov.

Technical Instructions for Completing the CY 2014 Actuarial Certification Module
Prepared by CMS OACT, as of May 22, 2013

Step 1: Access the HPMS actuarial certification module.

To access HPMS, you need a valid User ID and Password.

Step 1a: Open a web browser (i.e., Internet Explorer) and enter the address https://gateway.cms.gov in the Address bar.

Step 1b: Enter your User ID and Password and select HCFA.GOV from the Login Service drop down menu. Click the "Logon" button to proceed.

Step 1c: Select the "HPMS" link to access the HPMS Home Page.

Step 1d: To access the HPMS Actuarial Certification Module, click on the following path: HPMS Home > Plan Bids > Bid Submission > Contract Year 2014 > Upload > Actuarial Certification.

For any technical problems accessing HPMS, contact the HPMS Help Desk at 1-800-220-2028 or hpms@cms.hhs.gov.

Step 2: Select plan(s) to certify.

The first screen of the certification module contains a list of contracts to which you have access. If a contract that you will be certifying is not included on the list, please contact the HPMS Help Desk at 1-800-220-2028 or hpms@cms.hhs.gov.

You can select plans by either contract number or parent organization name. The number in parenthesis, after each contract/parent name, refers to the number of bids that are awaiting certification.

From the list of contracts/parent names, select one or more that you would like to certify.

Click the "Next" button.

Step 3: Review the standardized certification language.

The certification module contains standardized language that will apply for all CY 2014 certifications submitted to CMS. This language is consistent with the requirements contained in Appendix A of the CY 2014 Bid Pricing Tool instructions.

Step 4: Enter any (optional) additional text, to be appended to the standardized language.

Actuaries are permitted, but not required, to append additional text to the standardized certification language at their discretion. Any optional text entered will be applied to *all* bids selected to be certified. (Technical note: Additional comments are limited to 4,000 characters.)

The CMS Office of the Actuary will review any additional text entered in the certification.

Step 5: Select the specific Bid Pricing Tools (MA and/or Part D) to which the certification applies.

The certification may apply to the MA Bid Pricing Tool, the PD Bid Pricing Tool, or both. Use the check boxes at the bottom of the screen to indicate whether the certification applies to the MA BPT, the PD BPT, or both. The certification language (including any additional text entered) will apply to all bids selected. To select all MA bids or all PD bids listed, click on the "MA Bid" or "PD Bid" column heading.

Note: User access is granted at the contract-level. Therefore, an actuary will have access to certify *all* bids within a contract for which they have been identified as a certifying actuary. They will also have access to both the MA and PD BPTs to certify. Actuaries should check only the boxes of the BPTs that they intend to certify.

The certification module summarizes some high-level information pertaining to the bids selected. The screen includes the bid upload date, HPMS version number assigned at upload, Standardized Part D Bid, Total MA Rebates, and Total MA Premium, as well as links to each bid's BPTs and PBPs. We encourage actuaries to review the uploaded information pertaining to the bids that they are certifying.

Click the "Next" button.

Step 6: Review the certification and submit.

This screen displays the information entered on the previous screen – that is, the standardized certification language, any additional text appended to the standardized language, and the list of BPT(s) to which the certification applies.

Click the "Submit" button to submit the certification to CMS.

Click "OK" to confirm submission.

Step 7: Save a copy of the certification for your records.

The completed certification will contain the date/time that the certification was submitted and the name/User ID of the certifier.

Click the "Create PDF" link at the top right corner of the screen. Save the PDF file to your computer, for your records.

The "Back" button will return you to the screen where additional contracts may be selected for certification. Follow Steps 2 through 7 for any additional certifications to be submitted for other plans.

Additional Technical Information

- The certification module can be completed by two different actuaries for the MA BPT versus the PD BPT. Also, different actuaries can submit certifications for specific plans under a contract (for example, plan 001 can be submitted by Actuary A, and plan 002 can be submitted by Actuary B).
- Both the initial bid submission (in June) and the final bid submission (rebate reallocation in August) require certifications; interim resubmissions do not. The certification module will be *available* for each resubmission.
- Please note that the certification applies to a specific upload version of the bid. If a resubmission occurs during the bid review process, then the previously submitted certification does not automatically apply to the newly uploaded version.
- A separate memorandum will announce the deadline for final actuarial certifications.
- After the initial certification is submitted in June, the HPMS system will store any "additional text" entered in the certification module. Next to the text box for additional information is a "Reuse Existing Certification Language" section.
- Between the initial June certification and the final August certification, no substantive changes to the "additional" certification language entered by the actuary will be considered without prior permission from the CMS Office of the Actuary. The initial actuarial certification language submitted will be considered the definitive certification language, unless specific changes are requested by OACT. Any changes to the certification language, including changes or additions to any qualifications, would require prior permission from OACT.
- If a certification is not submitted via the HPMS actuarial certification module, the bid(s) will not be considered for CMS review/approval.
- Every MA BPT requires a certification, as does every Part D BPT. Since Part D BPTs are not completed for EGWPs (i.e., "800-series" employer bids), no actuarial certification is required. However, a certification is required for EGWP MA BPTs.
- If you inadvertently submitted a certification for a plan that you did not intend to certify, please contact Tristan Cope or Rebecca von Funk at BidReviewC@cms.hhs.gov.
- See Appendix B of the CY 2014 MA and Part D Bid Pricing Tool instructions for supporting documentation requirements for reliance information. Note that the reliance information must be provided as part of the supporting documentation upload.