



CMS 2010 MEDICARE ADVANTAGE & PRESCRIPTION DRUG PLAN SPRING CONFERENCE

Sheraton Baltimore City Hotel, April 20-21, 2010

Verbatim Transcript

Keynote Address - Timothy B. Hill

Part 1

[APPLAUSE]

I'M ANXIOUS TO SORT OF TALK
A LITTLE BIT THIS MORNING.

MY FIRST SPEECH WHEN I WAS NAMED
DEPUTY DIRECTOR IN CPC

WAS TO THIS CONFERENCE
LAST YEAR AT CMS.

I WILL ALSO SAY
THAT I'M NOW A HERO

TO ALL MY COLLEAGUES AT CMS,

BECAUSE WE HAD
THE CONFERENCE HERE

AND NOT IN THE CENTRAL
OFFICE BUILDING,

WHICH BACKED UP TRAFFIC.

WE'LL DEAL WITH THE FACT
THAT WE DIDN'T HAVE

ALL YOUR LAPTOPS CONFISCATED

AND HAVE YOU ALL STRIP-SEARCHED.

I'M SURE YOU ALL FEEL SAFE
EVEN THOUGH

WE DIDN'T GO THROUGH
THOSE PROCEDURES.

SO I HOPE YOU'RE HAPPIER HERE.

IT'S PROBABLY A LITTLE MORE
COMFORTABLE THAN BEING AT CMS,

AND I CERTAINLY AM A VERY--
THERE WE GO.

[APPLAUSE]
ALL RIGHT!
THANK YOU VERY MUCH.

I WANT TO TALK ABOUT A COUPLE
OF THINGS THIS MORNING.

THIS IS AN IMPORTANT CONFERENCE
FOR US.

THIS IS THE BIGGEST SORT OF
AUDIENCE THAT I GET

TO SPEAK TO SOME OF
OUR PARTNERS,

AND IT'S SOMETHING THAT I WANT
TO TAKE ADVANTAGE OF.

LAST YEAR WHEN I SPOKE,
WE SPOKE ABOUT A LOT OF THINGS,

BUT ONE OF THE THINGS
THAT WE HAD TALKED ABOUT,

BOTH JOHN AND I,
WAS A COMMITMENT TO YOU ALL

TO SORT OF GOVERN IN AS
TRANSPARENT AND OPEN WAY

AS WE POSSIBLY COULD.

WE RECOGNIZE WE'RE REGULATORS
AND OVERSEERS,

BUT AT THE END OF THE DAY,
WE ARE PARTNERS

AND SORT OF SERVING
OUR BENEFICIARIES.

AND WE LIKE TO THINK
THAT WE TRY TO

FOLLOW THROUGH ON THAT
COMMITMENT TO YOU ALL.

WE HAD A NUMBER OF MEETINGS
WITH THE ADVOCACY COMMITTEE,

WITH REPRESENTATIVES OF
THE PLANS AND THE DRUG INDUSTRY.

A CALL LETTER FOR SEEKING
SOME GUIDANCE AND SOME ADVICE

IN ADVANCE OF GETTING
THE CALL LETTER OUT.

WE STARTED A REGULATORY PROCESS
THIS PAST YEAR

WHICH ALLOWED EVERYBODY
AN OPPORTUNITY TO COMMENT

AND UNDERSTAND WHERE WE WERE
GOING FROM A POLICY PERSPECTIVE

AND THAT'S A PROCESS WE'RE GONNA
CONTINUE ON A YEARLY BASIS

TO HAVE A REGULATION WHERE THERE'S
MORE OPEN DIALOGUE.

WE TRIED TO BE
VERY OPEN AND FORTHRIGHT

AS EMERGENT ISSUES AROSE
THROUGHOUT THE YEAR.

WE TRIED TO MAKE CONTACT
WITH THE VARIOUS
ASSOCIATIONS' ADVOCATES

TO SORT OF EXPLAIN WHERE
WE WERE, WHAT THOSE ISSUES WERE,

HOW WE WERE DEALING WITH THEM.

WE TRIED VERY HARD,
WHETHER WE WERE
SUCCESSFUL OR NOT,

ONLY YOU CAN TELL US,

TO BE OPEN
AND TRANSPARENT EARLY

IN THE BIDDING PROCESS.

YOU HAVE AS MUCH INFORMATION
AS YOU NEED

TO SUBMIT YOUR BIDS

IN THE COMING MONTHS.

SO WE TRIED VERY HARD
TO SORT OF FULFILL

THE COMMITMENT THAT
WE MADE TO YOU,

AND IT'S A COMMITMENT
WE WANT TO CONTINUE TO MAKE.

YOU ARE OUR PRIMARY LINK
TO OUR BENEFICIARIES.

YOU'RE WHO SERVE
OUR BENEFICIARIES.

YOU'RE VERY IMPORTANT TO US.

BENNIES, LIKE,
THEY'RE HAPPY WITH THEIR PLANS.

THEY WANT TO STAY
IN THEIR PLANS.

IT'S A RELATIONSHIP
THAT WE WANT TO CONTINUE GROWING.

YOU, MORE THAN ANY OTHER PLAYER
IN THE MEDICARE SPACE,

HAVE A REAL OPPORTUNITY TO DRIVE
VALUE FOR OUR BENEFICIARIES.

REDUCING COSTS,
ENHANCING QUALITY,

THAT'S WHERE WE WANT TO BE,
AND WE REALLY VIEW
THE HEALTH PLAN WORLD

AND THE DRUG PLAN WORLD
AS SOMETHING

THAT WE WANT TO CONTINUE
TO LEVERAGE TO DO THAT FOR US.

SO THIS IS A VALUED
PROGRAM TO US.

MEDICARE ADVANTAGE, PART D,
THESE ARE THINGS
WE WANT TO GROW.

THESE ARE HIGH PRIORITIES
FOR THE ADMINISTRATION,

HIGH PRIORITIES FOR ME AND JOHN.

WE WANT TO MAKE THEM BETTER.

AND SO THAT WAS A COMMITMENT.
WE BEGAN LAST YEAR.

WE WANT TO CONTINUE THIS YEAR.

AND SO AS WE THINK ABOUT THAT,

AS WE THINK ABOUT
THE COMMITMENT,

WHAT WE'RE GONNA DO NEXT,

I WANNA KIND OF WALK YOU THROUGH

SOME SORT OF HIGH-LEVEL VALUES THAT
WE'RE THINKING ABOUT,

SORT OF WHAT ARE THE THEMES
THAT WE'RE THINKING ABOUT

AS WE ENTER 2011,

BOTH FROM A BIDDING PERSPECTIVE

AS WELL AS FROM
AN OVERSIGHT PERSPECTIVE,

SORT OF WHAT ARE THE THINGS
THAT WE'RE THINKING ABOUT,

WHAT SHOULD YOU
BE WATCHING OUT FOR,

HOW, IF YOU'RE ME, HOW DO YOU THINK
ABOUT MANAGING THE PLANS

AND SORT OF OUR RELATIONSHIP WITH
OUR BENEFICIARIES.

AND THERE'S REALLY
3 OR 4 BROAD THEMES.

YOU KNOW, WE WANT
TO CONTINUE TO DRIVE VALUE.

WE WANT TO CONTINUE TO ENHANCE
BENEFICIARY CHOICE,

MAKE IT EASIER FOR BENEFICIARIES
TO MAKE CHOICES,

ENHANCE THOSE CHOICES.

WE WANT TO ENSURE
BENEFICIARY PROTECTIONS

AND WE WANT TO CONTINUE TO FOCUS
ON BENEFIT DELIVERY.

SO LET ME TALK ABOUT
EACH OF THOSE IN TURN.

I'M NOT GONNA TALK
FOR A TON OF TIME.

I WANT TO LEAVE SOME TIME
AT THE END FOR QUESTIONS,

BUT I DO WANT
TO GIVE YOU A FLAVOR

OF THE WAY WE'RE
THINKING ABOUT THINGS.

SO CONTINUING TO DRIVE VALUE.

I THINK WE WANT TO CONTINUE
TO HOLD OURSELVES ACCOUNTABLE

TO THE VALUE PROPOSITION

THAT HEALTH PLANS OFFER
FOR OUR BENEFICIARIES, RIGHT,

SORT OF THE MANAGED CARE MODEL,

THE MODEL OF IF YOU
SORT OF TRADE OFF PAYMENT

FOR DELIVERING SERVICES
FOR ENHANCING QUALITY,

THAT'S SOMETHING THAT WE CAN USE
TO DRIVE COST REDUCTIONS,

TO DRIVE QUALITY IMPROVEMENT,

AND TO MAKE BENEFICIARIES
MORE SATISFIED

WITH THEIR OVERALL EXPERIENCE,

NOT JUST WITH MEDICARE
BUT WITH THE HEALTH CARE
SYSTEM IN GENERAL.

SO WE WANT TO CONTINUE
TO DRIVE THAT VALUE.

WE WANT TO CONTINUE TO DRIVE THAT
VALUE PROPOSITION.

THAT'S WHAT WE THINK IS
SORT OF MOST EFFECTIVE

AND THE BEST WAY
FOR US TO CONTINUE TO GROW
THROUGH THESE PROGRAMS.

IN EFFECT, WE'RE DOING A LOT
TO SORT OF DO THIS.

YOU SAW IT IN SOME OF
THE REGULATIONS THAT
WE'VE JUST ISSUED.

YOU'VE SEEN IT IN THE GUIDANCE
THAT WE'RE ISSUING.

SO THERE'S A LOT GOING ON
THAT WE WANT TO

SORT OF CONTINUE TO FOSTER
TO DRIVE VALUE.

YOU KNOW, WE CONTINUE
PERFORMANCE MEASUREMENT

TO HIGHLIGHT DIFFERENCES
AMONG PLANS.

THE STAR RATING SYSTEM.

ALL WE DO ON HEDIS, HOS
AND CAHPS.

SORT OF ASSESSING AND VALUING HOW
WELL PLANS ARE DOING

AGAINST THE STANDARD
SET OF METRICS

IS SOMETHING THAT
WE CAN USE TO DRIVE VALUE

TO HELP BENEFICIARIES UNDERSTAND
THE DIFFERENCES AMONG PLANS

AND HELP SPUR IMPROVEMENTS

ON THE THINGS THAT
WE THINK ARE IMPORTANT.

WE'RE DRIVING VALUE
THROUGH TRANSPARENCY.

AS YOU KNOW, THE ADMINISTRATION,

THIS ADMINISTRATION
AND THE LAST ADMINISTRATION,

VERY MUCH SORT OF BELIEVE IN,
AS I BELIEVE,

THAT THE MORE INFORMATION
THAT WE CAN MAKE AVAILABLE,

THE MORE DATA THAT WE CAN MAKE
AVAILABLE TO BENEFICIARIES,

TO RESEARCHERS, TO WHOMEVER

SORT OF INTERACTS
WITH THIS SYSTEM,

WILL SORT OF JUST SPUR
A SET OF ANALYSES

AND SPUR SORT OF
ONGOING DIALOGUE

ABOUT WHAT MAKES THINGS
WORK BETTER, RIGHT,

AND SO WE'RE MAKING
MORE DATA SETS AVAILABLE

UNDER THE PRESIDENT'S
TRANSPARENCY INITIATIVES,

SORT OF--DATA.GOV,
MAKING INFORMATION AVAILABLE

SO THAT RESEARCHERS AND OTHERS
CAN USE THAT INFORMATION.

WE ASKED FOR COMMENTS

IN THE REG

AND IN THE CALL LETTER

FROM FOLKS ABOUT HOW
WE CAN MAKE MORE PAYMENT DATA

AVAILABLE TO FOLKS.

THAT'S SORT OF
IN A WAY THAT PROTECTS

EVERYBODY'S
PROPRIETARY INTERESTS

BUT ALSO GIVES US A SENSE
TO ASSESS THE PROGRAM.

AGAIN, SORT OF
TRANSPARENCY DATA.

THOSE ARE THE THINGS
THAT CAN HELP US

SORT OF DRIVE ANALYSIS,
MAKE DISTINCTIONS

AMONG THINGS THAT
WORK AND DON'T WORK

TO HELP US DRIVE VALUE.

WE HAVE WITHIN CPC

SOMETHING YOU'LL HEAR MORE ABOUT
IN THE COMING MONTHS

BEGUN TO SORT OF DEVELOP
A QUALITY STRATEGY,

A STRATEGY TO HELP
US SORT OF HELP YOU

UNDERSTAND WHAT THE TOOLS ARE,
WHAT THE LEVERS ARE,

WHAT THE THINGS WE CAN TWEAK
OR HELP YOU TO TWEAK

TO MAKE US WORK TOGETHER
TO DRIVE QUALITY

IN THE HEALTH PLAN SETTING.

I THINK THAT THERE'S
A LOT GOING ON IN THE PLANS.

THERE'S A LOT GOING ON IN OUR
OVERSIGHT AND OUR REGULATIONS.

I THINK THAT CALLS FOR
SORT OF A STRATEGIC THINK

ABOUT HOW WE'RE
THINKING ABOUT QUALITY.

YOU'RE GONNA SEE MORE OF THAT
OVER THE COMING YEAR,

SORT OF AS WE ROLL OUT SOME OF THE
ELEMENTS OF THIS STRATEGY

AND BEGIN TO TALK
TO YOU ABOUT IT

TO SORT OF FOSTER THAT DIALOGUE

AND HELP YOU THINK ABOUT
AND HELP US THINK ABOUT

HOW WE'RE GONNA DRIVE VALUE
BY INCREASING QUALITY.

OF COURSE, OUR BENEFITS POLICY,

AS WE THINK ABOUT HOW
WE WANT YOU TO SET BENEFITS,

WHETHER IT'S FROM COST SHARING TO
CREATIVE MODELS OF CARE,

SORT OF GAP COVERAGE
FOR THE DRUG PLAN,

ALL THESE THINGS ARE
THINGS THAT WE'RE TRYING TO USE

SORT OF OUR REGULATORY AUTHORITY

OR OUR OVERSIGHT AUTHORITY
TO SORT OF DRIVE VALUE.

AND OF COURSE, THE MA

THAT I'M SURE YOU'RE ALL
VERY EXCITED ABOUT,

THAT WILL SORT OF START IN 2011

BUT WILL CONTINUE AND EVOLVE

FROM 2012 ONWARD,

SORT OF USING
THE STAR RATING SYSTEM,

AND I LIKE TO THINK OF IT
NOT JUST THE STAR RATING SYSTEM

BUT BEING ABLE TO ALIGN
PAYMENT WITH PERFORMANCE

IN A WAY THAT WE HAVEN'T BEFORE

I THINK IT'S GONNA HELP US
DRIVE THAT VALUE PROPOSITION.

SO AS I SAID, DRIVING VALUE,
USING THE PLANS

TO HELP US MAKE SURE
THAT OUR BENEFICIARIES

ARE SORT OF GETTING MORE
OUT OF THE PROGRAM

AND MAKING SURE THAT WE CAN
CONTINUE TO GROW THE PROGRAM,

MAKE IT STRONG FOR FOLKS
WHO ARE COMING BEHIND.

ENHANCING BENEFICIARY CHOICE,
A SORT OF SECOND THEME,

WHEN WE THINK ABOUT IT
AS WE SET OUR STANDARDS

AND AS WE THINK ABOUT HOW
WE'RE GONNA DO OUR OVERSIGHT.

THE UNIT OF--AND WE TALKED
ABOUT THIS LAST YEAR,

FOR US, FOR ME,
THE UNIT OF ANALYSIS

IN THIS PROGRAM
IS THE BENEFICIARY.

NONE OF US WOULD BE IN THIS ROOM

IF IT WEREN'T FOR
THE BENEFICIARIES THAT WE SERVE.

IT IS THEY WHO
WE SHOULD BE THINKING THEM--

THEY WHO WE SHOULD
THINKING ABOUT

AS WE MAKE OUR DECISIONS
ON A DAY-TO-DAY BASIS.

WHAT ARE WE DOING
TO MAKE IT EASIER

FOR BENEFICIARIES
TO SELECT A PLAN,

TO GET INTO A HIGH-VALUE PLAN,

TO MAKE CHOICES
ABOUT THEIR HEALTH CARE,

WHETHER IT'S A PLAN
OR ORIGINAL MEDICARE,

TO MAKE SURE THAT THEY'RE GETTING
THE SERVICES THEY NEED

AND THEY'RE GETTING THE MOST
OUT OF THE HEALTH CARE SYSTEM.

SO YOU'LL SEE--I THINK
WE'VE ALREADY ISSUED

OUR PLAN RENEWAL GUIDANCE
FOR 2011,

TRYING VERY HARD
TO MAKE VERY CLEAR

THAT BENEFICIARY CHOICE
AND THE CHOICES

THAT THEY'VE MADE IN THE PAST

ARE SORT OF
VERY IMPORTANT TO US.

WE WANT TO CONTINUE TO ALLOW THEM
TO MAKE THOSE CHOICES

AND THE PLAN RENEWAL
SHOULD BE PART OF

AN ACTIVE DECISION-MAKING
PROCESS ON THE BENNIES.

LET'S NOT TAKE THAT CHOICE
OUT OF THEIR HANDS.

LET'S LET THEM
HAVE AN OPPORTUNITY

TO MAKE A CHOICE ABOUT
WHERE THEY WANT TO BE.

I'VE TALKED ABOUT PERFORMANCE
MEASUREMENT AND STAR RATINGS.

ALL OF THAT IS JUST SORT OF
ANOTHER WAY FOR US

TO SORT OF SHOW
TO BENEFICIARIES,

TO GIVE INFORMATION
TO BENEFICIARIES

ABOUT HOW TO MAKE CHOICES,
WHAT IT IS

THAT THEY NEED
TO MAKE THOSE DECISIONS

AND SORT OF WHAT
HELPS THEM UNDERSTAND

WHAT THE RIGHT BENEFIT IS
FOR THEM.

YOU KNOW,
BENEFIT DESIGN GOES INTO

BENEFICIARY CHOICE.

COST SHARING,
OUT-OF-POCKET MAXIMUMS,

THE PART--REVIEW OF PART D ENHANCED
VERSUS BASIC OPTIONS.

ALL THOSE THINGS THAT SORT OF
HELP US UNDERSTAND

THAT WHERE PLANS ARE COMPETING

AND WHERE BENEFICIARIES
ARE MAKING CHOICES

AROUND THE THINGS

THAT MATTER TO THEM,

SORT OF WHETHER OR NOT
THEY CAN--

HOW THE MODEL OF CARE
IS DELIVERED,

HOW THEY'RE GETTING CARE,
NOT SORT OF SEGMENTING MARKETS

AND SORT OF
GETTING PEOPLE INTO PLANS

BASED ON THINGS
THAT AREN'T MEANINGFUL

BUT MAKE SURE THE BENEFICIARIES
HAVE A CHOICE

AND SORT OF CAN UNDERSTAND
WHAT THEIR BENEFITS ARE.

THE OPEN ENROLLMENT CHANGES
AS CLEARLY OUTLINED

IN THE RECENTLY ENACTED
HEALTH CARE REFORM LEGISLATION

IN BOTH 2011 AND 2012,
THEY'RE GONNA GO SOME WAY

SORT OF HELPING BENEFICIARIES,
AT LEAST ON A TINY PERSPECTIVE,

UNDERSTAND THEIR CHOICES.

AND OF COURSE, WE'LL CONTINUE, AS
WE TALKED ABOUT LAST YEAR,

TO THINK ABOUT
OUR INFRASTRUCTURE

FOR COMMUNICATING
TO BENEFICIARIES.

THE WEB SITES,
OUR NOTIFICATIONS,
AND VARIOUS MATERIALS

WE SEND TO BENEFICIARIES
ALL SHOULD BE GEARED TOWARD

SORT OF AN EASE OF USE,

A SIMPLICITY

THAT MAKES IT EASY FOR THEM
TO MAKE CHOICES.

WE'VE GOT A LOT OF WORK ONGOING
THAT WE'LL CONTINUE TO ROLL OUT

THROUGH THIS OPEN ENROLLMENT
INTO NEXT OPEN ENROLLMENT

TO MAKE THOSE DECISION TOOLS,
TO MAKE THOSE TOOLS

EASIER FOR BENEFICIARIES
TO UNDERSTAND.

SO DRIVING VALUE,
BENEFICIARY CHOICE,

SORT OF FIRST TWO
SETS OF THEMES.

THIRD IS ENSURING
BENEFICIARY PROTECTIONS.

YOU KNOW, UNDERPINNING
EVERYTHING HERE,

YOU KNOW, NOT TO BE TOO
TREMENDOUSLY PATRIARCHAL
ABOUT IT,

BUT WE DO HAVE TO MAKE SURE

THAT THERE'S A SET OF
BASIC BENEFICIARY PROTECTIONS
IN THE PROGRAM

AND THAT WE ARE
FULFILLING OUR OBLIGATIONS

NOT JUST FIDUCIARILY BUT
SORT OF TO OUR BENEFICIARIES

TO MAKE SURE THAT THE SERVICES
THEY'RE GETTING

AND THE PROGRAM THAT
WE'RE ESTABLISHING FOR THEM

IS PROTECTING YOUR RIGHTS
AND PROTECTING THEIR ABILITY

TO SORT OF OPERATE
IN THE PROGRAM

IN A FREE AND A MEANINGFUL WAY.

SO IN THE RECENT REGULATIONS
THAT WE'VE ISSUED,

WE'VE DONE ALL WE CAN
TO INCREASE TRANSPARENCY
ABOUT PLAN COSTS

SO THAT BENEFICIARIES
CAN UNDERSTAND

SORT OF WHAT IT IS
THAT THEY'RE BUYING.

WE'RE GONNA CONTINUE
OUR POLICIES

ON COST SHARING
AND OUT-OF-POCKET SPENDING

TO MAKE SURE THAT PLANS AREN'T
BEING DISCERNED IN A WAY

THAT WILL DISCRIMINATE AGAINST
PARTICULAR SETS OF BENEFICIARIES

OR BENEFICIARIES WITH
SETS OF PARTICULAR HEALTH NEEDS.

AGAIN, THE MAXIMUM OUT-OF-POCKET
COST POLICY,

MAKING SURE THAT BENEFICIARIES
AREN'T GONNA BE FACED

WITH UNREASONABLE
OUT-OF-POCKET MAXIMUMS.

AS ALWAYS,
OUR MARKETING, ENROLLMENT,

AND SURVEILLANCE OPERATION,

BEING SURE THAT AS WE
GET INTO OPEN ENROLLMENT

THAT OUR BENEFICIARIES
AREN'T CONFRONTED

WITH AN ARRAY OF INFORMATION

AND SORT OF

FOLKS COMING AT THEM IN WAYS

THAT DOES NOT ALLOW THEM
TO MAKE CHOICES MEANINGFULLY

BUT SORT OF PRESSURES THEM
AND PUTS THEM IN SITUATIONS

WHERE IT'S DIFFICULT
TO MAKE CHOICES.

AND OUR GUIDANCE TO PLANS,
SORT OF PARTICULARLY THIS YEAR,

WHICH MAY BE, YOU KNOW,
WHICH MAY BE A CHALLENGE

AS WE GET INTO 2011

TO BE SURE WE'RE COMMUNICATING
EFFECTIVELY TO BENEFICIARIES

ABOUT ANY CHANGES
THAT MIGHT HAPPEN,

WHAT THAT MEANS FOR THEM,
WHY THEY'RE OCCURRING,

HOW IT IS THAT WE'RE GONNA
SORT OF TRANSITION ISSUES

AS WE MOVE INTO 2011,

SORT OF WORKING WITH YOU
TO MAKE SURE

WE'RE COMMUNICATING
IN A WAY THAT'S MEANINGFUL
TO BENEFICIARIES

AND SORT OF UPFRONT AND HONEST
ABOUT THE CHANGES
THAT ARE OCCURRING.

Part 2

SO DRIVING VALUE, YOU KNOW,
BENEFICIARY CHOICE,

BENEFICIARY PROTECTIONS
ARE THE FIRST 3 THEMES.

THE LAST IS SORT OF A LITTLE
MORE NEBULOUS AND MUCH MORE

SORT OF EVOLUTIONARY FOR
ME AND SOMETHING THAT IS

EVOLVING, WHICH IS A FOCUS
ON BENEFIT DELIVERY.

THIS IS THE DREADED PART OF
THE CONVERSATION WHERE WE TALK

ABOUT OVERSIGHT
AND COMPLIANCE.

NOBODY WANTS TO TALK ABOUT IT,
BUT WE HAVE TO TALK ABOUT IT

A LITTLE BIT, AND SORT OF THE
WAY I WANT TO TALK ABOUT IT

IS, WE THINK ABOUT
BENEFIT DELIVERY.

WE SPEND A LOT OF TIME AND
EFFORT AND HAVE SPENT A LOT

OF TIME AND EFFORT OVER THE
LAST, YOU KNOW, 5 YEARS,

HOWEVER LONG YOU WANT TO GO
BACK IN THE PROGRAM, MAKING

SURE THAT YOU'RE ALL COMPLYING
WITH OUR RULES AND OUR

REGULATIONS--THAT NOTICES ARE
ACCURATE, THAT THE PROCESSES

THAT YOU SAY OCCUR ARE
OCCURRING IN THE TIME FRAMES

THAT YOU SAY THAT THEY
ARE GOING TO OCCUR,

THAT BENEFICIARIES HAVE ACCESS

TO SERVICES AND PROVIDERS AND
PHARMACIES, THAT THE PLANS ARE

REACHABLE, WE CAN GET YOU ON
THE PHONE--ALL THOSE SETS

OF THINGS THAT WE MEASURE
ABOUT PLANS OR WE ASSESS

ABOUT PLANS AS WE DO
MONITORING AND OVERSIGHT,

IN ADDITION TO THE RANKINGS WE
DO AND THE PERFORMANCE METRICS

THAT WE PUT TOGETHER.

AND THAT'S ALL IMPORTANT,
AND THAT'S SOMETHING THAT WE

NEED TO CONTINUE DOING BECAUSE
IT SHOWS SORT OF BASIC

COMPLIANCE WITH THE PROGRAM
RULES, AND IT'S SOMETHING THAT

WE HAVE TO ENSURE
FOR ALL THE PLANS.

BUT THAT'S NOT AS IMPORTANT,
I'M LEARNING, AND SORT OF I'M

BELIEVING, AND WE'RE
STARTING TO THINK ABOUT AS OUR

COMPLIANCE AND OVERSIGHT
SORT OF POLICY EVOLVES--THOSE

THINGS AREN'T AS IMPORTANT AS
BEING SURE THAT BENEFICIARIES

ARE ACTUALLY GETTING THE
SERVICES AND THE BENEFITS THAT

WE AND YOU PROMISED TO THEM.

THEY SIGNED UP FOR A
SET OF SERVICES.

THEY SIGNED UP FOR A PLAN
ACTING IN A CERTAIN WAY

AND SORT OF GETTING A CERTAIN

LEVEL OF SERVICES, AND WE

THINK IT'S OUR JOB AND YOUR
JOB TO MAKE SURE THAT THEY'RE

GETTING THEM.

NOW, I'M NOT GONNA PAINT WITH
AN ABSURDLY BROAD BRUSH HERE.

MY VIEW IS AND MY BELIEF IS
THAT SORT OF 99% OF THE PLANS

THAT WE CONTRACT WITH DO
NOTHING EVERY DAY BUT GET UP

IN THE MORNING AND ENSURE THAT
THE BENEFICIARIES ARE GETTING

WHAT IT IS THAT THE PLANS SAY
THEY WERE GOING TO DELIVER TO

THEM IN A MANNER THAT THEY
HAD PROMISED AND IN A WAY THAT

IS HIGH QUALITY AND
TRANSPARENT AND EASY

AND DRIVES VALUE--ALL
THOSE THINGS THAT WE'VE

TALKED ABOUT.

AND AS I SAY, THIS IS
NOT A BROAD BRUSH.

BUT AS I STAND HERE TODAY,
I CAN TELL YOU UNEQUIVOCALLY

THAT THERE ARE PLANS OUT
THERE THAT DON'T DO THAT.

THERE ARE PLANS THAT HAVE NOT
DONE THAT, AND THAT IS A WORLD

WHERE WE DON'T WANT TO BE,
AND SO WE'RE GONNA THINK

ABOUT--AND I THINK YOU'VE
SEEN SOME OF THAT AND YOU'LL

CONTINUE TO SEE MORE OF IT.

HOW WE'RE GOING TO EVOLVE OUR

PROGRAM OVERSIGHT STRATEGIES

AND POLICIES TO FOCUS ON
MAKING SURE THAT PLANS ARE

DELIVERING WHAT IT IS WE
EXPECT THEM TO BE DELIVERING.

BEING ABLE TO ANSWER THE
QUESTIONS, WHO ARE WE DOING

BUSINESS WITH?

ARE THEY DOING WHAT THEY SAID
THEY WERE GOING TO DO IN THEIR

BID, IN THEIR APPLICATION?

ARE WE ACHIEVING THE
OUTCOMES THAT WE WANT?

YOU KNOW, IF NOT, WHAT
DO WE DO NEXT?

I NEVER LIKE TO TALK
ABOUT WHAT WE DO NEXT.

NO ONE LIKES TO TALK
ABOUT COMPLIANCE.

I CERTAINLY DON'T VIEW
COMPLIANCE ENFORCEMENT ACTIONS

AS SUCCESS.

SORT OF JUST THE OPPOSITE.

THAT'S A FAILURE FOR ME.

IT'S A FAILURE FOR THE PROGRAM
TO THE EXTENT WE GET INTO

A WORLD WHERE THERE'S
AN ENFORCEMENT OR

A COMPLIANCE ACTION.

YOU KNOW, OUR COMMITMENT IS TO
SORT OF MAKE SURE THAT WE'RE

ALL DOING WHAT WE CAN TO MAKE
SURE WE'RE ALL PLAYING BY

THE RULES.

TO THE EXTENT THAT WE'RE NOT,
THAT'S A FAILURE ON OUR PART.

AS I SAID AT THE OUTSET,
OUR GOAL IS TO MAKE SURE THAT

THESE PROGRAMS GROW.

WE BELIEVE THESE PROGRAMS ARE
OF VALUE TO THE BENEFICIARY.

THEY'RE CERTAINLY
OF VALUE TO US.

IT'S SOMETHING THAT WE THINK
IS VERY IMPORTANT--ACHIEVING

THIS GOAL.

MAKING SURE THAT WE HAVE
THE SORT OF BUY-IN FROM YOU,

OUR PARTNERS AND OTHERS TO
OUR BENEFICIARIES, TO VALUE,

TO CHOICE.

BUT IF NOT, THE COMMITMENT
IS TO BE SWIFT,

AND THE COMMITMENT IS TO USE
THE TOOLS AT OUR DISPOSAL TO

BE SURE THAT WE GET FOLKS IN
THE PROGRAM THAT SHARE OUR SET

OF VALUES.

SO I THINK THAT'S KIND OF
THE SENSE I WANTED TO GIVE

YOU, RIGHT?

SO WE'VE GOT DRIVING VALUE.

WE'VE GOT BENEFICIARY CHOICE,
BENEFICIARY PROTECTIONS,

BUT OVERLAYING ALL THAT IS A
SENSE THAT WE NEED TO BE SORT

OF HONEST WITH OURSELVES ABOUT
THOSE FIRST 3 THEMES, THAT WE

ARE DOING EVERYTHING WE CAN
TO DELIVER THE THINGS THAT WE

SAID WE WANTED TO DELIVER TO
THE BENEFICIARIES IN A WAY

THAT WE WANT TO DELIVER THEM.

THERE'LL BE A LOT OF
CONVERSATION THIS WEEK

ABOUT THE TECHNICAL ASPECTS
OF OUR BIDDING GUIDANCE

AND THE BENEFIT GUIDANCE AND
SORT OF HOW IT IS YOU NEED TO

PUT STUFF TOGETHER AND SORT
OF--TO BID, AND I THINK ALL

OF THAT IS TREMENDOUSLY
IMPORTANT AND YOU GET

THE INFORMATION OUT OF THIS
CONFERENCE THAT YOU NEED TO

GET OUT OF IT AND WE
NEED TO PROVIDE TO YOU.

BUT I WANTED TO SPEND MY TIME
HERE THIS MORNING GIVING YOU

A LITTLE HIGHER LEVEL,
A LITTLE MORE OF A SENSE

OF THE WAY I'M THINKING
ABOUT THE WORLD AND THE WAY

JON'S THINKING ABOUT THE
WORLD SO THAT YOU CAN SORT

OF HAVE THAT CONTEXT.

JON IS GOING TO SPEND SOME
TIME TOMORROW--JON BLUM--

TALKING MORE ABOUT SORT OF THE
FUTURE--WHAT DOES HEALTH CARE

REFORM MEAN FOR US?

WHERE ARE WE GOING TO BE
IN 2012 AND BEYOND?

BUT FOR TODAY, I WANTED TO
GIVE YOU A SENSE OF WHAT WE

WERE THINKING ABOUT AS
WE GO INTO 2011.

SO WITH THAT, I'M GONNA STOP.

I KNOW I HAVEN'T TALKED FOR
THE ENTIRE TIME, BUT I DO WANT

TO LEAVE SOME TIME FOR
QUESTIONS OR COMMENTS OR

THOUGHTS AND SORT OF OPEN IT
UP TO YOU ALL IF THERE'S

THINGS YOU WANT TO ASK
ME WHILE I STAND UP HERE.

Man: HI. I'M STEVE PEARSE
WITH FAMILYCARE HEALTH PLANS

IN PORTLAND.

WE'RE A SMALL, LOCAL HMO,
AND I HAVE A QUESTION

ABOUT THE STAR SYSTEM.

Hill: OK.

Pearse: HAS THERE BEEN ANY
DISCUSSION ABOUT HOW YOU'RE

GOING TO DEAL WITH PLANS THAT
DON'T HAVE ENOUGH DATA TO

QUALIFY FOR THE STARS?

THE FIRST COUPLE OF YEARS,
OUR PLAN WAS NOT LARGE ENOUGH,

AND IF YOU GO ONTO THE
MEDICARE.GOV WEBSITE, LOOK

AT THE STAR RATING, OUR
PLAN WAS ACTUALLY PENALIZED

BECAUSE WE HAD A LOWER STAR
RATING, AND IT WAS BECAUSE WE

DIDN'T HAVE INFORMATION.

Hill: RIGHT.

Pearse: SO IT'S REALLY
FRUSTRATING FOR A SMALL PLAN

THAT WE THINK IS DOING A GREAT
JOB TO BE PENALIZED BECAUSE WE

JUST DON'T HAVE ENOUGH DATA
FOR YOU GUYS TO RATE US.

ONE--I'LL GIVE YOU SOME
CONTEXT AND THEN SAY YES,

A LOT OF CONVERSATION IS
OCCURRING ABOUT--PARTICULARLY

NOW THAT THERE'S--I MEAN,
IT'S ALWAYS BEEN IMPORTANT,

PARTICULARLY WHEN WE'RE GIVING
INFORMATION TO BENEFICIARIES,

TO SORT OF MAKE
THOSE DISTINCTIONS.

IT'S ALWAYS BEEN IMPORTANT
TO TRY AND THINK ABOUT HOW WE

DEAL WITH SMALL PLANS.

I THINK IT BECOMES MUCH MORE
IMPORTANT OR THAT MUCH MORE

IMPORTANT NOW THAT THERE'S
GONNA BE A LINK TO PAYMENT,

AND WE CAN'T BE IN A SITUATION
WHERE WE'RE PENALIZING

SOMEBODY FOR BEING SMALL
BECAUSE IN MANY RESPECTS THERE

MAY BE LOTS OF GOOD THINGS
ABOUT BEING SMALL, LOCAL

COMMUNITY PLANS.

THERE WAS A LOT OF
CONVERSATION AS WE SORT

OF TALKED TO THE HILL AND
DEALT WITH SORT OF WHAT THIS

LEGISLATION WAS GONNA LOOK
LIKE AND WHAT MEANT FOR SMALL

PLANS, AND I KNOW FOR 2012,
THERE IS A TRANSITION, THERE'S

A WAY WE CAN SORT OF WORK
AROUND THE SMALL PLAN ISSUE,

BUT IT IS SOMETHING WE'RE
GONNA HAVE TO DEAL WITH AS WE

GO FORWARD, AND SO WE HAVE HAD
A LOT OF INTERNAL CONVERSATION--

NOTHING THAT WE CAN SORT OF
SPEAK TO SAYING THIS IS WHAT

THE SOLUTION IS GOING TO BE,
OTHER THAN TO REASSURE YOU

THAT IT'S SORT OF THE FIRST
PRIORITY FOR US TO THINK

ABOUT, WHAT ARE WE GONNA DO
FOR ALL THESE PLANS FOR WHICH

THERE IS NO DATA UNDER
OUR CURRENT SYSTEM?

WE NEED TO HAVE A WAY TO DO
IT, AND SO EITHER WORKING

WITH THE ASSOCIATIONS OR
DIRECTLY WITH YOU, WE NEED TO

SORT OF FIGURE OUT A WAY TO
HAVE A CONVERSATION ABOUT WHAT

THE BEST WAY TO DO THAT IS,
AND THAT WILL SORT OF EVOLVE,

AND WE'LL NEED TO TALK MORE
ABOUT IT, BUT I THINK

THE MESSAGE I WOULD DELIVER
FOR YOU NOW IS, WE

COMPLETELY UNDERSTAND.

WE COMPLETELY BELIEVE WE
NEED TO HAVE A WAY THAT'S

A MEANINGFUL WAY TO MEASURE
AND BUILT INTO THE STAR

RATINGS SO THAT YOU'RE NOT
DISADVANTAGED AS WE ROLL INTO

A NEW PAYMENT MODEL.

Pearse: GREAT. THANKS.

Man: GOOD MORNING.

Hill: MORNING.

Man: MY NAME IS
RAMON RODRIGUEZ.

AS FAR AS OPEN-ENDED QUESTIONS
ARE CONCERNED, I'M STRUCK BY

THE TERM YOU USED THIS
MORNING--BESIDES VALUE,

BUT BENEFICIARY.

UNDER THE MEDICARE
MODERNIZATION ACT, IT ALMOST

SEEMED LIKE THE TERM
"BENEFICIARY" WAS OUTLAWED

AND THAT WE USE THE
TERM "ENROLLEE."

ANTHROPOLOGY IS AN INTEREST
OF MINE, AND I WONDER IF YOU

WOULD COMMENT ON YOUR USE
OF THE TERM "BENEFICIARY"

IN TERMS OF THE CULTURE OF
CMS AND WHAT IT MEANS IN OUR

RELATIONSHIP AND THE
RELATIONSHIP THAT WE ALL HAVE

WITH WHAT WE CALL MEMBERS
AND WHAT YOU'RE CALLING

NOW BENEFICIARY.

Hill: RIGHT.

WELL, I CAN SPEAK TO IT

FROM MY PERSPECTIVE, RIGHT?

SO ANYBODY WHO--YOU'LL SEE
MANAGERS HERE WHO WORK FOR ME,

AND THEY'LL TELL YOU THAT WHEN
I CAME ON BOARD, I SORT OF HAD

A CONVERSATION AS AN EXECUTIVE
ABOUT, YOU KNOW, I BELIEVE YOU

NEED TO HAVE A SET OF
OPERATING PRINCIPLES

AND VALUES FROM WHICH
YOU SEE THE WORLD.

YOU CAN SEE SOME OF IT
IN MY SPEECH HERE.

BUT AS A MANAGER,
THAT'S SOMETHING.

IT'S SOMETHING THAT IS ONE OF
MY DRIVING PRINCIPLES AND ONE

OF THE THINGS--MY SORT OF
CORE VALUES IS PUBLIC SERVICE.

I'M NOT HERE TO MAKE A
TON OF MONEY, RIGHT?

I'M HERE BECAUSE I BELIEVE
IN THE PROGRAMS THAT WE'RE

PROVIDING FOR OUR
BENEFICIARIES.

THE PROGRAMS ARE HERE
FOR OUR BENEFICIARIES.

THEY'RE NOT HERE FOR ME.
THEY'RE NOT HERE FOR YOU.

THEY'RE HERE FOR THEM.

AND SO JUST AS A GENERAL
PROPOSITION, MY ENTIRE CAREER

HAS BEEN SPENT THINKING ABOUT
THAT IS WHY WE ARE HERE.

YOU KNOW, I CAN'T SPEAK FOR
WHAT THE NMA SAID OR WHAT

SORT OF HAPPENED
BEFORE MARCH OF 2009,

WHICH IS WHEN I CAME ON,
SORT OF WHAT THE WORLD MAP,

BUT I CAN TELL YOU IN SPEAKING
TO THE MANAGERS, YOU CAN SPEAK

TO THE CULTURE OF CMS--
SPEAKING TO THE MANAGERS

IN CPC, SPEAKING TO THE
EXECUTIVES IN CMS, YOU KNOW,

THAT CORE VALUE, THAT PUBLIC
SERVICE SORT OF BENEFICIARY-

FOCUSED VALUE IS ONE THAT'S
SHARED ACROSS THE BOARD.

I THINK IT'S ONE THAT WE ALL
RECOGNIZE, WE SORT OF WAKE UP

IN THE MORNING THINKING ABOUT.

NOW, THAT TRANSLATES ITSELF
INTO A LOT OF DIFFERENT

WAYS, YOU KNOW.

AT SOME LEVEL, I HAVE TO CALL--
THERE ARE SOME TIMES WHERE

IT'S APPROPRIATE TO CALL A
BENEFICIARY AN ENROLLEE, RIGHT?

WE DO OPERATE BIG SYSTEMS AND
LOTS OF COMPLICATED PROCESSES

WHERE WE HAVE TO GIVE NAMES TO
PEOPLE AND CALL THEM CERTAIN

THINGS, AND THAT'S ALL
APPROPRIATE AND RIGHT,

BUT AT THE END OF THE DAY,
THERE ARE BENEFICIARIES,

AND WE HAVE AN OBLIGATION
TO CARRY OUT THE PROGRAMS

IN THEIR BEST INTEREST.

YOU KNOW, WE ALSO HAVE AN
OBLIGATION TO THE TAXPAYERS.

I THINK THAT'S AS IMPORTANT,
BUT AT THE END OF THE DAY,

NOT EVERY TAXPAYER IS
ENTITLED TO MEDICARE.

IT'S JUST THE PEOPLE THAT
WE'RE SERVING THAT ARE

ENTITLED TO MEDICARE.

SO I DON'T KNOW IF THAT
ANSWERS YOUR QUESTION OR NOT,

BUT IT CERTAINLY SORT OF GIVES
YOU A FLAVOR OF THE WAY THAT

WE SEE THE WORLD.

Part 3

Woman: HELLO. MY NAME IS
LUCIA WARD-ALEXANDER.

WE KNOW THAT THERE MAY BE
SMALL PART D PLANS

THAT ARE CHALLENGED
WITH ADMINISTRATIVE COST,

BUT THOSE PLANS MAY DELIVER
HIGHER QUALITY.

IS CONSIDERATION
GOING TO BE GIVEN

TO USING THE STAR RATING
TO PROVIDE ADDITIONAL PAYMENTS

TO THOSE PLANS,
PART D PLANS,

THAT DELIVER HIGHER QUALITY?

I THINK THAT'S
THE GENERAL NOTION--

WELL, ON THE PART D SIDE,

THE MA PIECE
AND SORT OF HOW WE'RE
GONNA USE THE STAR RATINGS

I THINK IS GONNA BE
A GOOD PLACE FOR US TO START

ABOUT HOW IT IS
WE'RE GONNA MAKE
THAT ASSESSMENT.

AS WE SIT HERE TODAY,
THERE'S NOTHING ON THE TABLE

THAT TALKS ABOUT
A PART D PAYMENT CHANGE

TO SORT OF MAKE THAT SAME LINK.

I THINK THAT THE FIRST COUPLE OF
YEARS OF THIS PROGRAM

WILL BE VERY INSTRUCTIVE FOR US

TO SORT OF SAY,
"WELL, IF IT WORKS FOR MA,

WHY WON'T IT WORK
FOR THE STAND-ALONE
OR THE PART D PIECES?"

SO, YOU KNOW,
AS A GENERAL PHILOSOPHY,

IT'S SOMETHING THAT
THE ADMINISTRATION
AND THE AGENCY

IS THINKING ABOUT.

YOU KNOW, LINKING PAYMENT
AND PERFORMANCE--

THAT'S CERTAINLY SOMETHING
WE WANT TO TALK ABOUT.

IT'S NOT SOMETHING THAT'S
ON THE TABLE TODAY AS I SPEAK.

I MEAN, I THINK--

BUT, YOU KNOW,
WE NEED TO LET THIS EVOLVE.

Alexander: THANK YOU.

Woman: GOOD MORNING.

YOU MENTIONED EARLIER
ABOUT EDUCATING BENEFICIARIES

ABOUT THEIR CHOICES,

AND WITH THE ELIMINATION,
OR CHANGE, I SHOULD SAY,

IN THE OEP,

IS THERE GONNA BE
ANY CONSIDERATION

TO POTENTIALLY EXTENDING
OR OPENING UP

THE MARKETING OPPORTUNITIES
FOR THE PLANS

TO HAVE IT BE EARLIER?

I MEAN, JUST FROM
A TIMING PERSPECTIVE,

YOU KNOW, I THINK WHAT CONGRESS
TRIED TO DO--

AND I HAVE TO CONFESS
AT THIS POINT,

THE DATES BLUR TOGETHER
IN MY MIND,

BUT AS A GENERAL PROPOSITION,

FOR THE OPEN ENROLLMENT PERIOD
FOR NEXT YEAR,

WHAT CONGRESS WAS TRYING TO DO
AND I THINK WHAT THEY DID

WAS SORT OF SAY,

"WELL, PLANS ARE KIND OF MARKETING
THE FIRST OF OCTOBER,

"THE 15th OF OCTOBER,
WHATEVER IT IS THAT WE...

SO LET'S JUST SORT OF
MOVE THE ENROLLMENT PERIOD
BACK TO THERE."

I DON'T THINK THAT THERE'S
A SENSE OF SAYING,

"WELL, LET'S LET PLANS NOW
BEGIN TO MARKET EARLIER
IN THE YEAR,

SORT OF IN SEPTEMBER
OR EARLIER-- "

THAT CERTAINLY WASN'T
A CONVERSATION,

AND I GOT TO TELL YOU,

I'M NOT SURE THAT EVERYTHING
COULD GET LOCKED DOWN IN TIME

IN TERMS OF
GETTING CONTRACTS APPROVED

AND GETTING EVERYTHING
THAT WE NEED TO GET DONE

TO ALLOW THAT TO HAPPEN EARLIER.

I THINK THE MORE--
THE GENERAL ISSUE HERE IS,

LET'S LET MARKETING
AND ENROLLMENT OCCUR

SORT OF AT THE SAME TIME

AS OPPOSED TO HAVING THAT
MORE ADVANCED SET OF MARKETING

THAT OCCURS NOW

UNDER THE WAY THAT
THE DATES RUN NOW.

Woman: THANK YOU.

HI. BETSY GEIS WITH--

I HAVE TO TELL YOU,
EVERYBODY THAT'S OVER HERE,

IT'S LIKE YOU'RE ALL
LIKE ANGELS OR GODS
OR SOMETHING.

THERE'S A BIG LIGHT BEHIND YOU.
IT'S JUST THIS HALO.

[LAUGHTER]

IT'S LIKE SOMEBODY'S--

IT'S LIKE I'M WAKING UP
IN A DREAM IN A HOSPITAL
OR SOMETHING.

I'VE NEVER BEEN CALLED
AN ANGEL BEFORE,

BUT I THINK
I'LL SAY THANK YOU.

GO TO THE LIGHT.

BETSY GEIS WITH
BLUE CARE NETWORK
OF MICHIGAN.

I THINK WITH
A PAY FOR PERFORMANCE
WITH THE STAR RATING,

THE PLANS OBVIOUSLY
ARE GOING TO BE PAYING
A LOT OF ATTENTION,

AND I HAVE A QUESTION
RELATED TO THAT.

IN THE PAST,
IF WE'VE RECEIVED
ANY KIND OF NOTICE

FROM CMS DURING
THE ANNUAL ENROLLMENT PERIOD

IF WE DIDN'T MEET A METRIC,

WE'D GET SOME SORT
OF CORRESPONDENCE,

BUT THERE WASN'T
ANY KIND OF CORRECTIVE
ACTION PLAN.

WE NORMALLY WOULD
RESPOND ANYWAYS
AS TO OUR PERCEPTION.

HOWEVER, TOMORROW,
WHEN PAY FOR PERFORMANCE
KICKS IN,

I WANTED TO KNOW,
WOULD THERE BE SOME SORT
OF MEANINGFUL DIALOGUE

THAT A PLAN CAN APPEAL
THAT DISCUSSION,

TYPICALLY FROM
POSSIBLY A SECRET SHOPPING

OR SOMETHING
OF THAT NATURE.

NOW THAT DOLLARS
ARE TIED TO IT,

WILL THERE BE SOME SORT
OF MEANINGFUL DIALOGUE

THAT A PLAN CAN RESPOND
AND INTERACT WITH CMS

TO A FINAL CONCLUSION?

THE GENERAL ANSWER
TO THAT QUESTION IS YES, RIGHT?

AS A--NOW THAT
WE'RE LINKING PAYMENT

TO SORT OF HOW WE'RE DOING
THAT ASSESSMENT,

I THINK IT WOULD BE UNFAIR,
COUNTERPRODUCTIVE--

I'M NOT SURE
WHAT THE RIGHT WORD IS--

TO NOT SORT OF
HAVE A CONVERSATION

ABOUT WHAT'S GOING INTO
THAT STAR RATING

AND BEING SURE THAT
WE ALL UNDERSTAND THAT SORT OF--

THE METRICS THAT WE'RE USING
ARE METRICS THAT WE ALL

SORT OF LOOK AT AND AGREE AND SORT
OF ARE COMFORTABLE WITH.

NOW, YOUR MEANINGFUL DIALOGUE
AND MY MEANINGFUL DIALOGUE,

I DON'T KNOW IF WE'LL COME
TO THE SAME CONCLUSION
ABOUT WHAT THAT IT IS,

AND I CAN'T TELL YOU
STANDING HERE TODAY
WHAT IT'S GONNA BE,

BUT I DO KNOW--

I MEAN, THAT'S A LOT OF CONVERSATION
THAT WE'VE HAD INTERNALLY IS, YOU
KNOW,

WE NEED TO HAVE

A PROCESS IN PLACE

TO BE SURE THE PLANS UNDERSTAND
ALL THE THINGS

THAT ARE GOING INTO
MAKING UP THAT STAR RATING

AND HAVE AN OPPORTUNITY
TO SAY, YOU KNOW,

"YOU'RE FULL OF CRAP, CMS.
I DON'T BUY IT."

NOW--BUT AS I SAY,
I CAN'T TELL YOU EXACTLY
WHAT THAT'S GONNA LOOK LIKE.

OK. THANK YOU.

GOOD MORNING.
MICHELLE JUHANSON,
PERFORMRX.

SO WE REALLY APPRECIATE
BEING ABLE TO COMMENT
BACK AND FORTH WITH CMS

ABOUT CHANGES
IN REGULATION,

BUT WITH THE STAR RATINGS,

THERE'S NO DIALOGUE
BACK AND FORTH.

IT'S JUST,
IN SEPTEMBER,
THERE'S A NEW RATING.

AND WE'VE TRIED
TO WORK REALLY HARD
WITH YOUR OFFICES

TO FIND OUT
AND EVEN REPLICATE
SOME OF YOUR MEASURES,

BUT WE CAN'T.

AND SO I WONDER,
IS CMS GONNA BE OPEN
TO ANNOUNCING IN ADVANCE

WHAT THEY PLAN ON RATING,

LEAVING THAT OPEN
FOR COMMENT,

AND THEN GIVING THE PLANS
AN OPPORTUNITY

TO PRACTICE IN ADVANCE
TO GET IT RIGHT?

SO, I HATE TO DO THIS

BECAUSE IT JUST MAKES ME SEEM
LIKE I DON'T KNOW WHAT
I'M TALKING ABOUT.

SO EVERY CONVERSATION
THAT I'VE HAD, SORT OF,

AS I THINK ABOUT
THE STAR RATINGS

AND I TALK TO MY STAFF ABOUT,

"SO, DO THE PLANS KNOW
WHAT GOES INTO THIS?

ARE WE TRANSPARENT ABOUT
WHAT GOES INTO THE RATINGS?"

THE GENERAL SENSE IS THAT WE THINK
WE ARE FAIRLY TRANSPARENT.

I'M HEARING FROM YOU
AND THE PREVIOUS SPEAKER

THAT PERHAPS WE'RE NOT AS
TRANSPARENT AS WE THINK WE ARE.

SO I THINK THE COMMITMENT
I CAN MAKE IS TO SAY,

YOU KNOW, I CAN GO BACK
AND HAVE A CONVERSATION

AND WE CAN WORK WITH YOU,
DIRECTLY WITH THE PLANS

OR WITH THE ASSOCIATIONS
TO BE SURE

THAT WE ALL HAVE
THE SAME UNDERSTANDING

ABOUT HOW THIS WORKS

AND WHAT THE RIGHT LEVEL
OF CONVERSATION IS.

AS I SAID, WE NEED TO HAVE A--

THERE NEEDS TO BE A DIALOGUE ABOUT
WHAT GOES INTO
THOSE MEASURES.

WE THINK A LOT OF THAT
HAPPENS NOW.

IF IT'S NOT, YOU KNOW,

MY COMMITMENT IS TO TAKE IT BACK
AND SORT OF BE SURE

THAT WE AT LEAST ALL UNDERSTAND
WHAT IS THERE.

OK.

SO THAT'S KIND OF
A LONG WAY AROUND SAYING,

YEAH, MAYBE...
OK.

BUT I HEAR THE ISSUE.

NO PROBLEM.
AND IF I CAN MAKE
JUST A TINY RECOMMENDATION

WITHOUT TAKING UP
A LOT OF TIME,

IF YOU COULD ANNOUNCE IT
WHEN YOU ANNOUNCE
THE CALL LETTER,

AS OPPOSED TO US
FINDING OUT IN SEPTEMBER,

THEN WE'LL BE
MUCH MORE PREPARED
TO GET BETTER RATINGS

AND BE A PARTNER
WITH YOU IN THAT.

RIGHT.

SO THANK YOU.

THANK YOU.

HI. I'M DEB SOPO
FROM HEALTHPLUS OF MICHIGAN.

WE'RE A SMALLER PLAN,

AND WE ARE VERY PROUD
OF THE CARE WE DELIVER.

WE WOULD LIKE TO BE
A BETTER PARTNER WITH CMS.

WHEN WE MAKE DECISIONS
ON THE FRONT END,

WE WOULD LIKE A WAY
TO CONTACT CMS

AND BOUNCE IT OFF OF YOU

BECAUSE SOMETIMES
WE HAVE A CHOICE
OF THIS OR THIS.

WE DO OUR BEST
BASED ON YOUR COMMUNICATIONS
TO CHOOSE.

WE THINK WE COULD DO
A BETTER JOB
IF WE COULD GET FEEDBACK.

IN THE OLD DAYS--
THAT MEANS A COUPLE
YEARS AGO...

[CHUCKLES]

YOU USED TO PUT--

CMS WOULD PUT
NAMES OF PEOPLE
WE COULD CONTACT

AND E-MAIL THEM
OR CALL THEM.

THAT SEEMS TO HAVE
GONE AWAY.

MANY LETTERS COME OUT

WITH NOT EVEN A MAILBOX
TO CONTACT.

WOULD YOU CONSIDER
GIVING THAT OPTION BACK TO US?

WOULD YOU ALSO CONSIDER
HAVING SOMEBODY THAT
WE COULD CONTACT?

AGAIN, WE KNOW YOU'RE BUSY,
LIKE US.

WE'RE ALL WEARING
4 HATS.

CAN WE HAVE A WAY
TO PARTNER WITH YOU

SO WE'RE AHEAD OF THE GAME
INSTEAD OF FOLLOWING UP
AND DOING COURSE CORRECTION?

WE DO COURSE CORRECTION,

BUT WE'D RATHER DO THAT
THROUGH POLIC--

I MEAN, QUALITY IMPROVEMENT
THAN WHOLESAL CHANGES.

AS TO SORT OF OUR GUIDANCE
AND NOT BEING CLEAR ABOUT
WHO YOU TALK TO,

IF SOMETHING COMES OUT
AND YOU HAVE A QUESTION,

YOU DON'T UNDERSTAND,
ABSOLUTELY.

I MEAN, IF THAT'S NOT CLEAR NOW,

WE NEED TO MAKE CLEAR
THAT IF WE SEND OUT
NEW MARKETING GUIDELINES,

HERE'S WHO YOU NEED TO TALK TO.

IF WE SEND OUT NEW GUIDELINES--

I MEAN, WE NEED TO SORT OF
MAKE SURE THAT YOU HAVE A PLACE

TO COME IN AND ASK QUESTIONS.

THE OTHER ISSUE, THOUGH,
IS ONE THAT WE
STRUGGLED WITH INTERNALLY

AND I'VE STRUGGLED WITH

AS I HAVE SORT OF COME ON BOARD
AND LOOKED AT SORT OF THE WAY
WE ALLOCATE OUR RESOURCES

AND THE WAY WE THINK ABOUT
HOW WE'RE INTERACTING
WITH PLANS.

AND I'LL ANSWER--
SORT OF GIVE YOU A VIEW

AS TO HOW WE SEE SOME OF THAT.

SO SOME OF THAT,
I KIND OF VIEW AS LIKE,

I'M NOT SURE THAT
WE'RE IN THE BUSINESS
OF GIVING TECHNICAL ASSISTANCE

TO HEALTH PLANS
WHO KNOW THEIR BUSINESS,

AND SO THAT IS THE STRUGGLE
WE HAVE, RIGHT?

HOW MUCH CONVERSATION
DO WE HAVE WITH A PLAN

ABOUT THEIR INTERNAL OPERATIONS

AND SHOULD THEY GO THIS WAY
OR THAT WAY?

YOU KNOW, AT SOME LEVEL,
THAT'S KIND OF NOT OUR JOB.

RIGHT? WE WANT TO BE ABLE
TO BE SURE YOU GET
YOUR QUESTIONS ANSWERED,

AND SO THERE'S A REAL FINE LINE
WE HAVE TO WALK

BETWEEN GETTING TOO FAR
INTO YOUR BUSINESS

AND OFFERING TO--

BECAUSE I HAVE TO TELL YOU,

THE FEEDBACK I'VE GOTTEN
SORT OF LO THOSE MANY YEARS AGO,

WERE THERE WERE
A LOT OF PEOPLE OUT THERE

JUST KIND OF HELPING PLANS
GET THEMSELVES STARTED

AND SORT OF MOVING ALONG
AND DOING EVERYTHING THEY COULD

TO KIND OF HELP THE PLANS
MANAGE THEMSELVES,

AND I'M NOT SURE THAT
AT THAT LEVEL OF DETAIL,

THAT'S OUR ROLE.

THAT IS CERTAINLY
UNDERSTOOD,

BUT PHILOSOPHICALLY,
SOMETIMES,

WHEN THE LANGUAGE
THAT YOU USE AND WE USE
DON'T ALWAYS MATCH...

RIGHT.

WE JUST NEED A POINT
IN THE DIRECTION.

THAT'S WHAT
I WAS TALKING ABOUT.

I GOT YOU.

AND I THINK WE CAN COME BACK AND
MAKE SURE WE GET SOME OF THAT.

I'M MEETING IN JULY

WITH ALL OF THE ACCOUNT MANAGERS
WHO ARE OUT IN THE REGIONS

WORKING--SORT OF WORK
DAY TO DAY WITH YOU ALL,

AND THAT'S ONE OF THE THINGS
ON THE AGENDA

IS SORT OF, HOW IS IT THAT
WE'RE COMMUNICATING THE PLANS?

HOW IS IT WE'RE GIVING
INFORMATION BACK TO PLANS

SO THAT WE'RE BEING CONSISTENT

AND THAT YOU'RE GETTING
THE QUESTIONS ANSWERED
THAT YOU NEED TO GET ANSWERED?

SO I THINK THE ANSWER...