



**MEDICARE DRUG & HEALTH PLAN CONTRACT ADMINISTRATION GROUP**

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DATE: March 29, 2018

TO: Medicare Advantage Organizations, Medicare-Medicaid Plans, Section 1876 Cost Plans, Prescription Drug Plan Sponsors, and Programs of All-Inclusive Care for the Elderly Organizations

FROM: Kathryn A. Coleman  
Director

SUBJECT: Release of the HPMS Fiscal Soundness Module

The Centers for Medicare & Medicaid Services (CMS) announces the release of the 2018 Health Plan Management System (HPMS) Fiscal Soundness Module (FSM). The FSM will now accept 2017 audited annual financial statements and 2018 quarterly financial statements.

Medicare Advantage Organizations (MAO), Medicare-Medicaid Plans (MMP), Section 1876 Cost Plans, Prescription Drug Plan (PDP) Sponsors, and Programs of All-Inclusive Care for the Elderly (PACE) Organizations that have active (initial and renewing) contracts in Contract Year (CY) 2018 must comply with the Fiscal Soundness Reporting Requirements (FSRR). CMS monitors compliance with these requirements through audited annual financial statements of the organization's legal entity and other required documentation. Audited annual financial statements must be submitted to CMS in HPMS's FSM no later than April 30, 2018 at 11:59 p.m. Pacific Daylight Time (PDT). PACE Organizations must submit audited annual financial statements to CMS no later than 180 days after the organization's fiscal year ends. Audited annual and quarterly financial statements are submitted by navigating to [HPMS Homepage](#) > Monitoring > Fiscal Soundness.

Organizations submitting audited annual and quarterly financial statements in the FSM will only need to select a contract number (not contract type) and HPMS will automatically apply the submission to any related contracts. Instructions related to completing submissions and uploading documentation can be found in the Plan User Guide by navigating to [HPMS Homepage](#) > Monitoring > Fiscal Soundness > Documentation > Documents and Forms or [Fiscal Soundness Reporting Requirements](https://www.cms.gov/Medicare/Health-Plans/HealthPlansGenInfo/FSRR.html) (<https://www.cms.gov/Medicare/Health-Plans/HealthPlansGenInfo/FSRR.html>).

The FSRR for each contract type are attached. Please refer to the corresponding document for additional guidance specific to your contract type.

Questions related to the FSRR may be submitted to the Financial Review mailbox ([FinancialReview@cms.hhs.gov](mailto:FinancialReview@cms.hhs.gov)) or to the Financial Management Specialist assigned to your plan as specified on last page of the Plan User Guide.

For technical assistance, please contact the HPMS Help Desk ([hpms@cms.hhs.gov](mailto:hpms@cms.hhs.gov); 1-800-220-2028 or Andrew Chu ([andrew.chu@cms.hhs.gov](mailto:andrew.chu@cms.hhs.gov); 410-786-0488).