



DATE: April 8, 2016

TO: Medicare-Medicaid Plans

FROM: Lindsay Barnette
Director, Models, Demonstrations, and Analysis Group, Medicare-Medicaid
Coordination Office

Kathryn A. Coleman
Director, Medicare Drug & Health Plan Contract Administration Group, Center
for Medicare

Jennifer R. Shapiro
Acting Director, Medicare Drug Benefit and C&D Data Group, Center for
Medicare

SUBJECT: Applicability of CY 2017 Final Call Letter Provisions to Medicare-Medicaid
Plans

This memorandum provides additional guidance regarding the applicability to Medicare-Medicaid Plans (MMPs) of the provisions of the Contract Year (CY) 2017 Final Call Letter issued on April 4, 2016. In the chart below, we specify whether a particular provision in the CY 2017 Final Call Letter is: (1) not applicable to MMPs; (2) applicable to MMPs; (3) partly applicable to MMPs; or (4) informational only. For some provisions, comments are provided as further background.

Any questions regarding the contents of this memorandum should be directed to the Medicare-Medicaid Coordination Office at mmcocapsmodel@cms.hhs.gov.

CY 2017 Final Call Letter Provisions and Applicability to Medicare-Medicaid Plans

Final Call Letter Provisions (by section)	Not Applicable to MMPs	Applicable to MMPs	Partly Applicable to MMPs	Informational Only	Comments
<i>Section I – Parts C and D</i>					
Annual Calendar			X		Applicable to MMPs where the “MMP” column is checked in the Call Letter.
Incomplete and Inaccurate Bid Submissions: Incomplete Submissions			X		All guidance regarding PBP submission is applicable. Guidance related to BPT requirements is not applicable.
Plan Corrections			X		Refer to Section IV of the Final Call Letter for applicable guidance on this topic.
Contracting Organizations with Ratings of Fewer Than Three Stars in Three Consecutive Years – Timeline for Application of Termination Authority	X				MMPs currently do not have star ratings.

Final Call Letter Provisions (by section)	Not Applicable to MMPs	Applicable to MMPs	Partly Applicable to MMPs	Informational Only	Comments
Enhancements to the 2017 Star Ratings and Beyond: All Subsections				X	<p>MMPs are required to report on all Part C and D quality measures, including SNP-only and display measures. To the extent that specification changes on individual measures impact plan reporting, MMPs must comply with the specified changes. CMS issued a Request for Comment on an MMP quality rating strategy in fall 2015 (available at https://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/FinancialAlignmentInitiative/CapitatedModel.html) and will provide additional detail later in 2016.</p>

Final Call Letter Provisions (by section)	Not Applicable to MMPs	Applicable to MMPs	Partly Applicable to MMPs	Informational Only	Comments
Medicare Parts C & D Program Audits: Proposed Release Date for the 2017 Part C and Part D Program Audit Protocols		X			
Medicare Parts C & D Program Audits: Civil Money Penalty (CMP) Calculation Methodology		X			
Medicare Parts C & D Program Audits: Compliance and Enforcement Actions Related to Part D Auto-Forwards		X			
Medicare Parts C & D Program Audits: Enforcement Actions Related to One Third Financial Audit Findings	X				MMPs are not included in the One Third Financial Audits.
Innovations in Health Plan Design: All Subsections				X	

Final Call Letter Provisions (by section)	Not Applicable to MMPs	Applicable to MMPs	Partly Applicable to MMPs	Informational Only	Comments
<i>Section II: Part C</i>					
Guidance on the Future of Provider Directory Requirements and Best Practices				X	Guidance on MMP Provider and Pharmacy Directory Requirements is provided separately in three-way contracts and in model templates. We also support efforts to harmonize provider directory requirements across programs and encourage MMPs to make provider directory content on their websites machine readable and to include medical group information.
Overview of CY 2016 Benefits and Bid Review	X				
Plans with Low Enrollment	X				
Meaningful Difference (Substantially Duplicative Plan Offerings)	X				

Final Call Letter Provisions (by section)	Not Applicable to MMPs	Applicable to MMPs	Partly Applicable to MMPs	Informational Only	Comments
Total Beneficiary Cost (TBC)	X				
Maximum Out-of-Pocket (MOOP) Limits	X				
Per Member Per Month (PMPM) Actuarial Equivalent (AE) Cost Sharing Limits	X				
Part C Cost Sharing Standards	X				
Part C Optional Supplemental Benefits	X				
PBP Updates and Guidance: Medical Services Performed in Multiple Health Care Settings			X		Applicable portions of the guidance relate to section 14a of the PBP (Medicare-covered preventive services). MMPs should also note the discussion of possible future PBP service category changes.

Final Call Letter Provisions (by section)	Not Applicable to MMPs	Applicable to MMPs	Partly Applicable to MMPs	Informational Only	Comments
PBP Updates and Guidance: Medicare-Covered Preventive Services		X			
Policy Updates: Tiered Cost Sharing of Medical Benefits	X				
Policy Updates: Cost Sharing /Bundling and Facility	X				
Interoperability-MA Plans and Contracted Providers				X	
Alternative Payment Models (APMs)		X			
Connecting Beneficiaries to Care		X			
Counseling and Related Support Services		X			

Final Call Letter Provisions (by section)	Not Applicable to MMPs	Applicable to MMPs	Partly Applicable to MMPs	Informational Only	Comments
Prohibition on Billing Medicare-Medicaid Enrollees for Medicare Cost-Sharing	X				We note that under the existing parameters of the Financial Alignment Initiative demonstrations, it is already the case that no beneficiary cost sharing may be applied for any Medicare Parts A and B services provided to enrollees by MMPs.
Medicare Advantage Organization Responsibilities for Clinical Trials	X				
Dual-Eligible Special Needs Plans: All Subsections	X				
Section III: Part D					
Formulary Submissions: All Subsections		X			
Medication Therapy Management (MTM): All Subsections		X			

Final Call Letter Provisions (by section)	Not Applicable to MMPs	Applicable to MMPs	Partly Applicable to MMPs	Informational Only	Comments
Improving Clinical Decision-Making for Certain Part D Coverage Determinations				X	
Access to Preferred Cost-Sharing Pharmacies	X				MMPs are not permitted to have preferred cost-sharing pharmacies.
Part D Benefit Parameters for Non-Defined Standard Plans: All Subsections	X				
Part D Employer Group Waiver Plans (EGWPs)	X				
Improving Drug Utilization Review Controls in Medicare Part D: All Subsections		X			MMPs should make individuals identified as potential overutilizers of opioids aware of the availability under the plan of treatment for substance use disorders.

Final Call Letter Provisions (by section)	Not Applicable to MMPs	Applicable to MMPs	Partly Applicable to MMPs	Informational Only	Comments
Updates to Overutilization Policy for Contract Year (CY) 2017: All Subsections		X			MMPs should make individuals identified as potential overutilizers of opioids aware of the availability under the plan of treatment for substance use disorders.
Point-of-Sale Pilot				X	
Extended Days' Supply and First Fill Quantity Limits		X			
Establishing Mail Order Protocols for Urgent Need Fills to Prevent Gaps in Therapy		X			
Coordination of Benefits (COB) User Fee		X			
Part D Low Enrollment	X				

Final Call Letter Provisions (by section)	Not Applicable to MMPs	Applicable to MMPs	Partly Applicable to MMPs	Informational Only	Comments
<i>Section IV: Medicare-Medicaid Plans</i>					
Medicare-Medicaid Plan Annual Requirements and Timeline for CY 2017: All Subsections		X			
<i>Appendices</i>					
Appendix 1 – Contract Year 2017 Guidance for Prescription Drug Plan (PDP) Renewals and Non-Renewals (Updated)	X				
Appendix 2 – Contract Year 2017 Guidance for Prescription Drug Plan (PDP) Renewals and Non-Renewals Table	X				

Final Call Letter Provisions (by section)	Not Applicable to MMPs	Applicable to MMPs	Partly Applicable to MMPs	Informational Only	Comments
Appendix 3 – Improvement Measures (Part C & D)				X	<p>CMS issued a Request for Comment on an MMP quality rating strategy in fall 2015 (available at https://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/FinancialAlignmentInitiative/CapitatedModel.html) and will provide additional detail later in 2016.</p>