



**EMPLOYER POLICY AND OPERATIONS GROUP**

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DATE: March 9, 2006

TO: All Medicare Advantage Organizations, Prescription Drug Plans and Cost Plans

FROM: Jim Mayhew, Director of Policy

SUBJECT: Clarification for the 2007 Retail Pharmacy Access Submission for Entities that Also Offer Employer/Union-Only Group Waiver Plans (EGWPs)

For New MA-PD applicants or MA-PDs seeking Service Area Expansions, you were previously instructed to submit the pharmacy access analyses at the contract level. This email is to clarify that the pharmacy access analyses should be submitted at the contract level, but for the individual market counties ONLY. If your organization intends on offering employer/union-only group waiver plans (EGWPs) (coded as 800-series plan benefit packages in HPMS) outside of your individual market service area, you do NOT need to provide these additional counties in your pharmacy access submission.

The above clarification also applies to New PDP applicants and PDPs seeking Service Area Expansions. PDPs need to submit the pharmacy access analyses for individual market PDP regions ONLY. PDPs who intend on offering EGWPS do not need to provide the additional regions that are outside of its individual market regions in the pharmacy access submission.

Please note, since you will only be providing individual market county pharmacy access, you will also not need to provide detailed enrollment or provider information for your EGWPs. This applies to both MAOs and PDPs.

All entities that are offering EGWPs have agreed that its retail pharmacy access will be sufficient to meet the needs of its population, including situations involving emergency access. CMS may review the adequacy of the plan's pharmacy networks and potentially require expanded access in the event of beneficiary complaints or for other reasons it determines in order to ensure that the plan's network is sufficient to meet the needs of its retiree population.

If you have any further questions, please contact Sara Walters at (410) 786-3330.