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MEMORANDUM

To: Current and New Medicare Advantage (MA) Organizations, Medicare Prescription Drug Plans, Medicare Cost-based Plans, Health Plan Demonstrations, and other interested parties

From: Cynthia G. Tudor, Ph.D., Director, Medicare Drug Benefit Group /s/
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Subject: Final 2007 Model Evidences of Coverage (EOC) and related documents

Date: November 20, 2006

To assist Organizations with the development and release of the Evidence of Coverage (EOC), and related documents (Low Income Subsidy (LIS) Rider, Model Premium Summary Sheet for Web site, LIS Model Termination Letters to the EOC, and EOC Checklists), CMS is issuing the 2007 model EOC documents for HMOs, Local and Regional PPOs, Private Fee-for-Service Plans, Medicare Cost Plans, and Prescription Drug Plans (PDPs). Please note that the Private Fee-for-Service EOC is a new model for 2007. All organizations must mail the 2007 EOC to new members within thirty days of their enrollment effective date and to all members no later than January 31, 2007.

The model EOCs are intended for use by all MA Organizations and PDPs to explain covered benefits and related cost-sharing responsibilities. While use of the model is optional, Organizations are strongly encouraged to use the model language without modification and will receive a 10-day review. Using the model “without modification” means using model language verbatim. All non-model EOCs will be subject to the normal 45-day review.

Throughout the model EOC, CMS provides areas where the organization must insert plan-specific language or where the organization has the option to customize language to more accurately reflect its plan arrangement. Inserting this information or customizing it as described in the model does not alter the 10-day review period. Similarly, CMS has waived the prior review and approval of employer/union group plan marketing materials. Therefore, any employer/union group-related information an organization inserts into the model EOCs will not be reviewed and will not impact the 10-day review period.

The model EOC and related documents will be posted on the CMS website and in HPMS, including a checklist that organizations should use when submitting non-Model EOCs for review. The MA documents on the CMS website are located at <http://www.cms.hhs.gov/ManagedCareMarketing/> and the PDP documents are located at <http://www.cms.hhs.gov/PrescriptionDrugCovContra/PartDMMM/list.asp>.

Again, thank you for your ongoing efforts to transition to the new requirements of the Medicare Modernization Act. Questions regarding the review of the 2007 model EOCs should be referred to your CMS Regional Office.