



MEMORANDUM

TO: All Medicare Advantage Organizations

FROM: David A. Lewis /s/
Acting Director, Medicare Advantage Group

SUBJECT: Medicare Managed Care Manual

DATE: December 19, 2006

Due to the many developments in the Medicare Advantage Program, the Centers for Medicare & Medicaid Services (CMS) have reinstated the process to update the Medicare Managed Care Manual quarterly. This quarter, eight of the 20 chapters of the Medicare Managed Care Manual have been revised to more accurately reflect the current practices and policies of the Program. We are inviting your review and comments on the following chapters as attached:

Chapter 1 – General Provisions

Chapter 4 – Benefits and Beneficiary Protections

Chapter 5 – Quality Assessment

Chapter 6 – Relationships with Providers

Chapter 11 – MA Application Procedures and Contract Requirements

Chapter 12 – Effect of Change of Ownership

Chapter 17, Subchapter B – Payment Principles for Cost-Based HMO/CMPs

Chapter 18, Subchapter B – Payment Principles for Cost-Based HCPPS

Comments are due COB Friday, January 12, 2007. Please send them to Managed_Care_Manual_Comments@cms.hhs.gov. If you have any questions, please feel free to contact Ms. LaVern Ware at Lavern.Ware@cms.hhs.gov or 410-786-5480.