

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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TO: All Medicare Advantage Organizations, Prescription Drug Plan Sponsors, and Cost Plans

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DATE: August 31, 2012

SUBJECT: Release of Past Performance Review Results

CMS is pleased to announce that beginning September 14, 2012, organizations will be able to log into HPMS to view their results from CMS' annual review of the past performance of Medicare Advantage Organizations (MAO), Medicare Prescription Drug Plan (PDP) Sponsors, and Cost Plans. The past performance review is a tool CMS uses to evaluate the performance of all Medicare contractors and to identify organizations with performance so impaired that CMS would prohibit the organization from further expanding its Medicare operations. Please refer to an HPMS guidance memorandum released on December 2, 2011, that provides additional background and the current methodology (http://www.cms.gov/PrescriptionDrugCovContra/Downloads/PastPerformanceMethodologyFall2011UpdateFinal_12.01.11.pdf).

Since first publishing the Past Performance Methodology in December 2010, CMS has encouraged organizations to use the methodology as a tool for monitoring their own performance throughout the year. We noted that organizations that perform continuous self-review, particularly in the context of the methodology, can use the results of such assessments as a basis for taking appropriate corrective action and to periodically evaluate the likelihood that CMS will not permit further expansions of the organization's Medicare line of business due to a finding of impaired performance. While CMS has always provided results to organizations that have requested them, beginning September 14, 2012, organizations will be able to view their results without making a special request. We intend to provide each entity's negative past performance points for each of the eleven performance categories, in addition to the entity's total score. We will provide the results at the contracting entity-level, consistent with the methodology. CMS will issue a subsequent HPMS email once the new module has been completed and is made available to organizations.

Additionally, we wish to announce that beginning Spring 2013, CMS will publish certain results of our past performance review on the CMS.gov website. We believe that publishing these

results will serve to increase the transparency of our work and provide important and meaningful information to the public. Specifically, in Spring 2013 we will publish a list of outlier organizations based on the time period of January 2012 through February 2013, and the categories in which those organizations performed poorly. Our analysis will be based on the updated Past Performance Methodology to be published in December 2012.

Also, CMS will begin publishing all Corrective Action Plan requests on the CMS.gov website by the end of 2012. While CMS has published summary information about Corrective Action Plan requests for many years, this is the first time we will be publishing the texts of these letters.

Lastly, in December 2012 CMS expects to release the Past Performance Methodology for the contract year 2013 application review cycle. Within the next few weeks, we plan to release a draft version of the methodology through HPMS and request that interested parties provide comments for us to consider before we issue the final version of the document.

We hope that by making the results of our compliance work more readily available to both Medicare organizations and the public, we will further the goals of continuous improvement in our programs, and enhanced transparency.