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CENTER FOR MEDICARE

MEDICARE DRUG & HEALTH PLAN CONTRACT ADMINISTRATION GROUP

DATE: August 7, 2013

TO: Medicare Advantage Organizations, Prescription Drug Plans, and Section 1876 Cost Plans

FROM: Danielle R. Moon, J.D., M.P.A., Director

SUBJECT: Annual Notice of Change/Evidence of Coverage Corrections and Summary of Benefits Hard Copy Change Request Global Report Update

This memorandum provides Medicare Advantage Organizations and Section 1876 Cost Plans (plans) and Prescription Drug Plans (Part D Sponsors) with the following:

I. Corrections to the Contract Year (CY) 2014 Annual Notice of Change/Evidence of Coverage (ANOC/EOC)
II. Summary of Benefits (SB) Hard Copy Change Request Global Report Update

I. Annual Notice of Change/Evidence of Coverage Corrections

On May 08, 2013, CMS issued an HPMS memorandum announcing the issuance of certain CY 2014 model marketing materials. Included in this release were the CY 2014 ANOC/EOC standardized templates for all plan types. Since this release, we have identified errors in the standardized language in a few areas. This correction provides standardized language that plans must use in their CY 2014 ANOC/EOCs, as appropriate for their plan type(s). Below, please find a brief summary of the issue, a description of where the issue is located, and the required action to address the identified error.

1. ANOC template for PPO plans (MA and MA-PD)

Summary of issue: The information about the combined out-of-pocket maximum in the ANOC incorrectly includes a reference to receiving services from "in-network providers."

Issue location: PPO (MA and MA-PD) ANOC – Section 2.2, Changes to Your Maximum Out-of-Pocket Amount

Action required: MA and MA-PD PPO plans must update the language as instructed below.

- The language in ANOC Section 2.2, Changes to Your Maximum Out-of-Pocket Amount currently reads as follows:

Combined maximum out-of-pocket amount Your costs for covered medical services (such as copays [*insert if plan has a deductible:* and deductibles]) from in-network and out-of-network providers count toward your combined maximum out-of-pocket amount. [*Plans with no premium delete the following sentence:]* Your plan premium does not count toward your maximum out-of-pocket amount.	*[insert 2013 combined MOOP amount]*	*[insert 2014 combined MOOP amount]* Once you have paid *[insert 2014 combined MOOP amount]* out-of-pocket for covered [*insert if applicable:* Part A and Part B] services from in-network providers, you will pay nothing for your covered [*insert if applicable:* Part A and Part B] services from in-network or out-of-network providers for the rest of the calendar year.

- Replace language cited above with the following standardized language (changes are noted in red, strikethrough text):

Combined maximum out-of-pocket amount Your costs for covered medical services (such as copays [*insert if plan has a deductible:* and deductibles]) from in-network and out-of-network providers count toward your combined maximum out-of-pocket amount. [*Plans with no premium delete the following sentence:]* Your plan premium does not count toward your maximum out-of-pocket amount.	*[insert 2013 combined MOOP amount]*	*[insert 2014 combined MOOP amount]* Once you have paid *[insert 2014 combined MOOP amount]* out-of-pocket for covered [*insert if applicable:* Part A and Part B] services ~~from in-network providers~~, you will pay nothing for your covered [*insert if applicable:* Part A and Part B] services from in-network or out-of-network providers for the rest of the calendar year.

2. EOC template for all Part D plans (Cost plan, D-SNP, HMO MA-PD, PDP, PFFS, PPO MA-PD)

Summary of issue: The Part D EOC templates incorrectly state that barbiturates are excluded from Part D coverage.

Issue location: PDP EOC: Chapter 3, Section 7.1
All other Part D EOCs (Cost plan, D-SNP, HMO MA-PD, PFFS, PPO MA-PD): Chapter 5, Section 7.1

Action required: Part D plans must update the language as instructed below.

- Delete the following bullet in Chapter 3, Section 7.1, of the PDP EOC template:

  "Barbiturates, except when used to treat epilepsy, cancer, or a chronic mental health disorder"

- Delete the following bullet in Chapter 5, Section 7.1, of the Cost plan, D-SNP, HMO MA-PD, PFFS, and PPO MA-PD EOC templates:

  "Barbiturates, except when used to treat epilepsy, cancer, or a chronic mental health disorder"

3. EOC template for all Part D plans (Cost plan, D-SNP, HMO MA-PD, PDP, PFFS, PPO MA-PD)

Summary of issue: The Part D EOC templates do not reflect current long-term care (LTC) policy.

Issue location: PDP EOC: Chapter 3, Section 5.2, AND Chapter 3, Section 9.2
All other Part D EOCs (Cost plan, D-SNP, HMO MA-PD, PFFS, PPO MA-PD): Chapter 5, Section 5.2, AND Chapter 5, Section 9.2

Action required: Part D plans must update the language as instructed below (note, two corrections).

- Delete the following paragraph in Chapter 3, Section 5.2 of the PDP EOC template and Chapter 5, Section 5.2 of the other Part D templates:

  "For those members who are new to the plan and reside in a long-term care facility:

  We will cover a temporary supply of your drug **during the first [*insert time period (must be at least 90 days)]* of your membership** in the plan. The first supply will be for a maximum of [*insert supply limit (must be at least a 31-day supply)*], or less if your prescription is written for fewer days. If needed, we will cover additional refills during your first [*insert time period (must be at least 90*

days)] in the plan."

- Replace language cited above with the following standardized language:

  "For those members who are new to the plan and reside in a long-term care facility:

  We will cover a temporary supply of your drug **during the first [*insert time period (must be at least 90 days)]* of your membership** in the plan. The first supply will be for a maximum of [*insert supply limit or range (must be at least a 91-day supply and may be up to a 98-day supply)*], or less if your prescription is written for fewer days. (Please note that the long-term care pharmacy may provide the drug in smaller amounts at a time to prevent waste.) If needed, we will cover additional refills during your first [*insert time period (must be at least 90 days)]* in the plan."

- Delete the following paragraph in Chapter 3, Section 9.2 of the PDP EOC template and Chapter 5, Section 9.2 of the other Part D templates:

  "What if you're a resident in a long-term care facility and become a new member of the plan?

  If you need a drug that is not on our Drug List or is restricted in some way, the plan will cover a **temporary supply** of your drug during the first [*insert time period (must be at least 90 days)]* of your membership. The first supply will be for a maximum of [*insert supply limit (must be at least a 31-day supply)*], or less if your prescription is written for fewer days. If needed, we will cover additional refills during your first [*insert time period (must be at least 90 days)]* in the plan."

- Replace language cited above with the following standardized language:

  "What if you're a resident in a long-term care facility and become a new member of the plan?

  If you need a drug that is not on our Drug List or is restricted in some way, the plan will cover a **temporary supply** of your drug during the first [*insert time period (must be at least 90 days)]* of your membership. The first supply will be for a maximum of [*insert supply limit or range (must be at least a 91-day supply and may be up to a 98-day supply)*], or less if your prescription is written for fewer days. (Please note that the long-term care pharmacy may provide the drug in smaller amounts at a time to prevent waste.) If needed, we will cover additional refills during your first [*insert time period (must be at least 90 days)]* in the plan."

4. ANOC and EOC templates for D-SNPs

Summary of issue: The D-SNP templates currently permit certain plans to delete information about the late enrollment penalty even though it is possible that under some

circumstances it could apply to some enrollees.

Issue location: D-SNP ANOC: Section 2.1
D-SNP EOC: Chapter 1, Section 4.1; Chapter 1, Section 4.2; Chapter 6, Section 10; Chapter 8, Section 2.1; Chapter 10, Section 2.1; Chapter 10, Section 3.1; Chapter 12, Late Enrollment Penalty definition

Action required: D-SNPs must remove the instructions from the following locations and ensure that the information about the late enrollment penalty appears in all D-SNP EOCs.

- Delete the following instruction in Section 2.1 of the D-SNP ANOC template:

  "*[Plans CMS has approved to exclusively enroll QMBs, SLMBs, QIs, or dual eligible individuals with full Medicaid benefits delete this bullet:]*"

- Delete the following instruction in Chapter 1, Section 4.1 of the D-SNP EOC template:

  "*[Plans that (1) are approved to exclusively enroll QMBs, SLMBs, QIs, or dual eligible individuals with full Medicaid benefits AND (2) do not offer optional supplemental benefits: Delete the "In some situations, your plan premium could be more" section.]*"

- Delete the following instruction in Chapter 1, Section 4.1 of the D-SNP EOC template:

  "*[Plans that CMS has approved to exclusively enroll QMBs, SLMBs, QIs, or dual eligible individuals with full Medicaid benefits delete:]*"

- Delete the following instruction in Chapter 1, Section 4.2 of the D-SNP EOC template:

  "*[Plans that are (1) approved to exclusively enroll QMBs, SLMBs, QIs, or dual eligible individuals with full Medicaid benefits AND (2) indicate in Section 4.1 that there is no monthly premium should delete this section.]*"

- Delete the following instruction in Chapter 6, Section 10 of the D-SNP EOC template:

  "*[Plans CMS has approved to exclusively enroll QMBs, SLMBs, QIs, or dual eligible individuals with full Medicaid benefits: Delete this section.]*"

- Delete the following instruction in Chapter 8, Section 2.1 of the D-SNP EOC template:

"*[Plans CMS has approved to exclusively enroll QMBs, SLMBs, QIs, or dual eligible individuals with full Medicaid benefits: delete this bullet.]*"

- Delete the following instruction in Chapter 10, Section 2.1 of the D-SNP EOC template:

  "*[Plans CMS has approved to exclusively enroll QMBs, SLMBs, QIs, or dual eligible individuals with full Medicaid benefits delete this note:]*"

- Delete the following instruction in Chapter 10, Section 3.1 of the D-SNP EOC template:

  "*[Plans CMS has approved to exclusively enroll QMBs, SLMBs, QIs, or dual eligible individuals with full Medicaid benefits delete this bullet:]*"

- Delete the following instruction which appears before the Late Enrollment Penalty glossary definition in Chapter 12 of the D-SNP EOC template:

  "*[Plans CMS has approved to exclusively enroll QMBs, SLMBs, QIs, or dual eligible individuals with full Medicaid benefits: Delete]*"

The ANOC/EOC templates are available through the following link by clicking on the zip file titled *2014 Model Materials*: www.cms.gov/Medicare/Health-Plans/ManagedCareMarketing/MarketngModelsStandardDocumentsandEducationalMaterial.html.

Plans and Part D Sponsors should direct questions regarding the above corrections to their CMS Account Manager.

II. SB Hard Copy Change Request Global Report Update

The *SB Hard Copy Change Request Global Report* released on July 22, 2013, was updated to include the following:

SB Introduction: The URL error, occurrence of an extra "http://", for plans offering Part D with the header title "Where can I get my prescriptions if I join this plan?" and Prescription Drug Plans (PDP) with the header title "Where can I get my prescriptions?" are now listed separately in the report.

SB Introduction: The following sentence, "The pharmacies in our network can change at any time", did not generate in the PDP introduction under the heading "Where can I get my prescriptions?". This was added to the report for plans to add the missing sentence.

SB Introduction: The text under "Where can I find information on Plan Ratings" was revised to include the correct navigation path.

The report is accessible via HPMS > Plan Bids > Bid Reports > CY2014 > SB Hard Copy Change Request Global Report.

Note: All plans must check the *SB Hard Copy Change Request Global Report* prior to the submission of the SB in the Marketing Module for any additional updates. All sections of the SB must be submitted as one document under the File & Use process. SBs should not be submitted as a template.

Please direct any SB questions to SummaryofBenefits@cms.hhs.gov.