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To: Centers for Medicare and Medicaid Services
Center for Beneficiary Choices
500 Security Boulevard
Baltimore, MD 21244-1850

Submitted via email to: PartDAppcomments@cms.hhs.gov

From: Teena Ballard Keiser, Director of Regulatory Affairs

Date: November 20, 2006

Re: Draft 2008 Prescription Drug Plan Applications

We have reviewed the Draft 2008 Prescription Drug Plan Applications and provide the following attached comments. These comments are provided on behalf of Ovations and other UnitedHealth Group affiliates that manage Medicare Advantage and Part D business (collectively "United"). Please note that, for the purposes of this letter, "United" includes the Ovations business units that manage the combined PacifiCare and Ovations legacy Part D business.

Attached to this memo are comments from Ovations that are particularly significant to us on the Draft Part D Applications. Our comments are related to the following applications:

- Draft 2008 Solicitation for New Medicare Advantage-Prescription Drug Plan (MA-PD) Sponsors
- Draft 2008 Solicitation for Applications for New Prescription Drug Plan (PDP) Sponsors

We greatly appreciate the opportunity to comment, and we look forward to continuing to work with CMS to develop successful products and services for Medicare beneficiaries. If you have any questions or concerns on our comments, please contact me at 507/663-1844 or via email teena_keiser@uhc.com.

Draft 2008 Prescription Drug Plan Applications

Comments Submitted by UnitedHealth Group/Ovations November 20, 2006

We would like to begin our comments by noting our appreciation for all the work CMS has done and is doing to reduce the amount of paperwork associated with these applications. Specifically, by now requiring the attestations for both the Initial Application and Service Area Expansions to be entered in HPMS rather than being submitted in the binder(s).

Draft Solicitation for Applications for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors

1. Section 3.4 B #7:

Issue: Item #7 states that the "Applicant agrees to maintain a contract log as specific in forthcoming CMS guidance."

Recommendation: We recommend that CMS provide the opportunity for the MA-PD sponsors to review and comment on this guidance in draft form before it is finalized. In addition, we would recommend that the log requirement be on a prospective basis not a retrospective basis."

Draft 2007 Solicitation for Applications for New Prescription Drug Plan (PDP) Sponsors

2. Section 3.4 A #7:

Issue: Item #7 states that the "Applicant agrees to maintain a contract log as specific in forthcoming CMS guidance."

Recommendation: We recommend that CMS provide the opportunity for the PDP sponsors to review and comment on this guidance in draft form before it is finalized. In addition, we would recommend that the log requirement be on a prospective basis not a retrospective basis."