

MEDICARE ADVANTAGE/PRESCRIPTION DRUG BENEFIT

2010 Application Instructions for MA Organizations to Offer New Employer/Union-Only Group Waiver Plans (EGWPs)

2010 Contract Year

PUBLIC REPORTING BURDEN: According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0935. The time required to complete this information collection is estimated to average 1 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, C4-26-05, Baltimore, Maryland 21244-1850.

BACKGROUND:

The Medicare Modernization Act (MMA) provides employers and unions with a number of options for providing coverage to their Medicare-eligible members. Under the MMA, those options include purchasing benefits from sponsors of prescription drug-only plans (PDPs), making special arrangements with Medicare Advantage Organizations (MAOs) and Section 1876 Cost Plans to purchase customized benefits, including drug benefits, for their members; and directly contracting with CMS to become Part D or MAO plan sponsors themselves. Each of these approaches involves the use of CMS waivers authorized under Sections 1857(i) or 1860D-22(b) of the Social Security Act (SSA). Under this authority, CMS may waive or modify requirements that “hinder the design of, the offering of, or the enrollment in” employer-sponsored group plans. CMS may exercise its waiver authority for PDPs, MAOs and Cost Plan Sponsors that offer employer/union-only group waiver plans (EGWPs). EGWPs are also known as “800 series” plans because of the way they are enumerated in CMS systems.

Which Applicants Should Complete This Application?

This application is to be used by MAOs seeking to offer the following new “800 series” EGWPs: Private Fee-For-Service (PFFS) Plans, Local Coordinated Care Plans (CCPs), Regional Preferred Provider Organization Plans (RPPOs), Regular Medical Savings Accounts (MSAs) and Demonstration MSAs. CMS issues separate contract numbers for each type of offering and thus a separate application is required for each corresponding contract. However, MAO Applicants may submit one application to be eligible to offer new MA-only and new MA-PD EGWPs under the same contract number. All applications are required to be submitted electronically in the Health Plan Management System (HPMS). Please follow the application instructions below and submit the required material in support of your application to offer new “800 series” EGWPs.

Elimination of the Requirement to Offer Individual Plans (i.e., the “Nexus Test”)

For Contract Years 2006 and 2007, CMS employer group waiver policy required all MAOs to offer plans to individual Medicare beneficiaries as a condition of being able to offer “800 series” EGWPs to employers and unions. Beginning in 2008, this requirement was eliminated for MAOs offering Non-Network PFFS plans, Regular MSAs or Demonstration MSAs. Pursuant to CMS employer group waiver policy, MAOs are permitted to offer Non-Network PFFS, Regular MSA or Demonstration MSA “800 series” plans to employer and union group beneficiaries without being required to offer plans to individual Medicare beneficiaries. This waiver policy was not extended to MAOs offering Network PFFS plans, RPPOs or Local CCPs; therefore these MAOs are required to offer plans to individual beneficiaries in order to offer “800 series” plans to employer or union group beneficiaries. All new MAOs that are applying to only offer “800 series” plans (i.e., no plans will be offered to individual Medicare beneficiaries under the applicant’s contract number) will be required to designate their application as one which only offers “800 series” plans when completing the application.

APPLICATION INSTRUCTIONS:

This application must be submitted electronically through HPMS by 11:59 PM EST on February 26, ~~2009~~, 2009 by the following entities applying to offer new MA-only and/or MA-PD “800 series” EGWPs:

- New MA Organization applicants seeking to offer new “800 series” EGWPs. New MA Organizations include Applicants that have not previously applied to offer plans to individual beneficiaries or “800 series” EGWPs.

Note: All new MA Organization applicants must complete the *2010 Medicare Advantage Application in addition to this application*. All new MA Organizations intending to offer Part D EGWPs (i.e., MA-PDs) must also complete the *2010 Solicitation for Applications for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors*. The *2010 Medicare Advantage Application* and the *2010 Solicitation for Applications for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors* are also required to be submitted electronically through HPMS. These requirements are also applicable to new MA Organizations applying to offer “800 series” Non-Network PFFS, Regular MSA or Demonstration MSA plans that do not intend to offer plans to individual beneficiaries in 2010. Together these documents will comprise a completed application for new MA Organizations. Failure to complete the *2010 Medicare Advantage Application* and, if applicable, the *2010 Solicitation for Applications for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors*, will result in a denial of the EGWP application.

- Existing MA Organizations that currently offer plans to individual beneficiaries under an existing contract but that have not previously applied to offer EGWPs (MA-only or MA-PD) under this same contract.

Note: Existing MA Organizations are only required to complete this application.

Using HPMS to Submit an Application

In order to submit an application, please log on to HPMS and follow the instructions. To complete the application, please access the following link in HPMS:

Contract Management > Basic Contract Management > Select Contract Number > Online Applications > Submit Attestations > EGWP

Separate Applications Required For Each Contract Number

A separate application must be submitted for *each contract number* under which the MAO Applicant is applying to offer new “800 series” EGWPs.

EGWP SERVICE AREA REQUIREMENTS:

New MAO Applicants and existing MAOs will be able to enter their EGWP service areas directly into HPMS during the application process.

For Regular MSA or Demonstration MSA Applicants: Applicants offering Regular MSA EGWPs or Demonstration MSA EGWPs may designate national service areas and provide coverage to employer group members wherever they reside (i.e., nationwide). These Applicants are not required to offer corresponding individual plans.

For Non-Network PFFS Applicants: Applicants offering Non-Network PFFS EGWPs may designate national service areas and provide coverage to employer group members wherever they reside (i.e., nationwide). Applicants offering Non-Network PFFS EGWPs are not required to offer corresponding individual plans.

For Network PFFS Applicants: Applicants offering individual plans in any part of a state may provide coverage to employer group members residing throughout the entire state.

For Local CCP Applicants: Applicants offering individual plans in any part of a state may provide coverage to employer group members residing throughout the entire state.

However, to enable employers and unions to offer coordinated care plans to all their Medicare eligible retirees wherever they reside, a MAO offering a local coordinated care plan in a given service area (i.e., state) can extend coverage to an employer or union sponsor’s beneficiaries residing outside of that service area when the MAO, either itself or through partnerships with other MAOs, is able to meet CMS provider network adequacy requirements and provide consistent benefits to those beneficiaries. Applicants who are eligible for this waiver at the time of application or who may become eligible at any time during the contract year are strongly encouraged to designate their service area as broadly as anticipated (e.g., multiple states, national) to allow for the possibility for enrolling members during the contract year if adequate networks are in place (**no mid-year service area expansions will be permitted**). Applicants offering both individual and “800 series” plans will not initially be required to have Part C or Part D networks in place for those designated EGWP service areas outside of their individual plan service areas. However, access sufficient to meet the needs of enrollees must be in place once an Applicant enrolls members of an employer or union group residing in particular geographic locations outside of its individual plan service area.

Beginning in 2008, an MAO offering a coordinated care plan will be afforded limited flexibility in a portion of an expanded “800 series” service area outside a State where it is unable to secure contracts with an adequate number of network providers to satisfy CMS’ MA coordinated care network adequacy requirements that would otherwise apply. Please note that CMS is not waiving or modifying any Part D network adequacy requirements.

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For Non-Network PFFS plans, Regular MSAs or Demonstration MSAs that only intend to offer “800 series” EGWPs (i.e., no plans will be offered to individual Medicare beneficiaries under the contract number): Applicants may designate national service areas and provide coverage to employer group members wherever they reside (i.e., nationwide). However, entities that offer Non-Network PFFS plans must demonstrate adequate Part D network access in its defined service area in accordance with employer group waiver pharmacy access policy during the application process.

For RPPO Applicants: Applicants offering individual plans in any region may provide coverage to employer group members residing throughout the entire region (i.e., RPPOs must have the same service area for their “800 series” EGWPs as for their individual plans).

REQUEST FOR ADDITIONAL WAIVER/MODIFICATION OF REQUIREMENTS (OPTIONAL):

As a part of the application process, Applicants may submit individual waiver/modification requests to CMS. The Applicant should submit this additional waiver/modification as an upload via HPMS to the Attestation Waiver Request in the appropriate MA or Part D supplemental upload pages.

These requests must be identified as requests for additional waivers/modifications and must fully address the following items:

- Specific provisions of existing statutory, regulatory, and/or CMS policy requirement(s) the entity is requesting to be waived/modified (please identify the specific requirement (e.g., “42 CFR 422.66,” or “Section 40.4 of Chapter 2 of the Medicare Managed Care Manual (MMCM)”) and whether you are requesting a waiver or a modification of these requirements);
- How the particular requirements hinder the design of, the offering of, or the enrollment in, the employer-sponsored group plan;
- Detailed description of the waiver/modification requested including how the waiver/modification will remedy the impediment (i.e., hindrance) to the design of, the offering of, or the enrollment in, the employer-sponsored group plan;
- Other details specific to the particular waiver/modification that would assist CMS in the evaluation of the request; and
- Contact information (contract number, name, position, phone, fax and email address) of the person who is available to answer inquiries about the waiver/modification request.

ASSISTANCE:

If you have any questions about this application, please contact: Betty Burrier by email at betty.burrier@cms.hhs.gov or by phone at 410-786-4649.

**DESIGNATION OF APPLICATION AS “800 SERIES” EGWP ONLY
(NO INDIVIDUAL PLANS WILL BE OFFERED)**

Checking the box below is optional. Only check the box below if you are applying to only offer “800 series” plans under this contract (no plans to individual beneficiaries will be offered). Do not check the box below if you intend to offer plans to individual beneficiaries and “800 series” plans under this contract number.

I am hereby designating this non-network PFFS or MSA application as one which will only offer “800 series” plans. No plans will be offered to individual Medicare beneficiaries under this contract number.

{Entity MUST complete if it is applying to only offer non-network PFFS or MSA “800 series” EGWPs (no plans will be offered to individual Medicare beneficiaries under this contract number).}

EGWP Attestation for Contract _____

1. EGWP SERVICE AREA & PHARMACY ACCESS REQUIREMENTS

For Regular MSA or Demonstration MSA Applicants: Applicants offering Regular MSA EGWPs or Demonstration MSA EGWPs may designate national service areas and provide coverage to employer group members wherever they reside (i.e., nationwide). These Applicants are not required to offer corresponding individual plans.

For Non-Network PFFS Applicants: Applicants offering Non-Network PFFS EGWPs may designate national service areas and provide coverage to employer group members wherever they reside (i.e., nationwide). Applicants offering Non-Network PFFS EGWPs are not required to offer corresponding individual plans.

For Network PFFS Applicants: Applicants offering individual plans in any part of a state may designate statewide service areas and provide coverage to employer group members residing throughout the entire state.

For Local CCP Applicants: Applicants offering individual plans in any part of a state may designate statewide service areas and provide coverage to employer group members residing throughout the entire state.

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However, to enable employers and unions to offer coordinated care plans to all their Medicare eligible retirees wherever they reside, a MAO offering a local coordinated care plan in a given service area (i.e., state) can extend coverage to an employer or union sponsor’s beneficiaries residing outside of that service area when the MAO, either itself or through partnerships with other MAOs, is able to meet CMS provider network adequacy requirements and provide consistent benefits to those beneficiaries. Applicants who are eligible for this waiver at the time of application or may become eligible at any time during the contract year are strongly encouraged to designate their service area as broadly as anticipated (e.g., multiple states, national) to allow for the possibility for enrolling members during the contract year if adequate networks are in place (**no mid-year service area expansions will be permitted**). Applicants offering both individual and “800 series” plans will not initially be required to have Part C or D networks in place for those designated EGWP service areas outside of their individual plan service areas. However, access sufficient to meet the needs of enrollees must be in place once Applicant enrolls members of an employer or union group residing in particular geographic locations outside of its individual plan service area.

An MAO offering a local coordinated care plan will be afforded limited flexibility, as outlined below, in a portion of an expanded “800 series” service area outside a State where it is unable to secure contracts with an adequate number of network providers to satisfy CMS’ MA coordinated care network adequacy requirements that otherwise would apply. Please note that CMS is not waiving or modifying any Part D network adequacy requirements. As a condition of providing this waiver, the MAO must meet each of the following requirements.

1. The MAO must be able to meet CMS’s MA coordinated care network adequacy requirements for at least the majority of a particular employer or union group’s beneficiaries enrolled in the “800 series” coordinated care plan. In those instances where the MAO cannot meet this requirement for a particular employer or union group’s beneficiaries, CMS will require information, including MA network adequacy information for the particular employer or union group, to be submitted for review and approval by CMS;
2. All of an employer or union group’s beneficiaries, including those beneficiaries that do not have access to contracted MA network providers, must receive the same covered benefits at the preferred in-network cost sharing for all covered benefits offered by the coordinated care plan;
3. The MAO must provide payment to noncontract providers in accordance with the requirements of 1852(a)(2)(A) of the Social Security Act (i.e., the MAO must provide payment in an amount so that - (i) the sum of each payment amount and any cost sharing provided under the plan is equal to at least (ii) the total dollar amount of payment for such items and services as would otherwise be authorized under Parts A and B (including any balance billing under such parts. Please note that, unlike private fee-for-service MA plans, MAOs offering local coordinated

- care plans have the ability to pay more than the required above-mentioned statutory amount to any particular noncontract provider (See also 42 CFR 422.214 and 42 CFR 489.53(a)(2) (hospitals and other institutional providers with Original Medicare fee-for-service provider agreements that place certain restrictions on treating any Medicare beneficiaries may be subject to having those agreements terminated by CMS;
4. The MAO must take whatever steps are necessary to ensure that beneficiaries residing in areas where the MAO is unable to secure contracts with an adequate number of a specific type of provider(s) to satisfy CMS’ MA network adequacy requirements will have access to providers, including providing assistance to these beneficiaries in locating providers and/or utilizing its ability, as outlined above, to pay noncontract providers more than the statutory minimum required in section 1852(a)(2)(A) of the Social Security Act.
 5. In addition to assisting enrollees residing in non-network areas of the local coordinated care plan in finding providers who will furnish services, the MAO must also establish a program to specifically assist these enrollees in the coordination of their health care service. Areas that should be addressed in this coordination plan for its non-network enrollees are discussed in Medicare Managed Care Manual (MMCM), Chapter 4 section 120.3 “Rules for all MA Organizations to Ensure Continuity of Care.”
 6. In order to minimize any adverse effects on beneficiaries residing in areas where the MAO is unable to satisfy CMS’ MA network adequacy requirements, the MAO also must have in place an effective communication plan with employer groups prior to transitioning these employer group beneficiaries to the local coordinated care plan. This must include the following key communications; (a) ensure employer sponsors and their beneficiaries understand how the plan will work for those enrollees residing in area where MA network providers are not available, including that noncontract providers are generally not required to accept the plan and furnish the services; (b) ensure the MAO has a targeted communication strategy and provides information and assistance for beneficiaries affected by lack of access to network providers (i.e., whom they contact if they have difficulties locating a provider that will furnish services, etc); (c) conduct targeted education and outreach to the current providers of beneficiaries affected by lack of access to network providers prior to transitioning the group to the local coordinated care plan, explaining how the local coordinated care employer group product works, how claims are submitted, etc; and (d) assure all noncontract providers that they will receive prompt and accurate payment; and
 7. MAOs offering “800 series” local coordinated care plans that desire expanded service areas (e.g., national service areas) to utilize this modified waiver policy must submit a request for these expanded “800 series” service areas and must bid accordingly. All MAOs are required to follow the employer group plan service

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area request requirements contained in Section A (XIII) (E) of the 2009 Call Letter.

For RPPO Applicants: Applicants offering individual plans in any region may provide coverage to employer group members residing throughout the entire region (i.e., RPPOs must have the same service area for its EGWPs as for its individual plans).

For Regular or Demonstration MSAs, Non-Network PFFS plans, and Local CCPs that intend to offer individual plans in addition to “800 series” EGWPs: In order to be able to enroll and thereby offer coverage to employer and union group members nationwide, MA Organization must have a national service area (i.e., 50 states and Washington, DC) designated in the Health Plan Management System (HPMS). These MA Organization Applicants will not be initially required to have networks in place to cover members nationally. However, access sufficient to meet the needs of enrollees must be in place once the MA Organization Applicant contracts with an employer or union group that has members residing in any particular geographic location of the MA Organization’s service area.

For Non-Network PFFS plans, Regular MSAs or Demonstration MSAs that only intend to offer “800 series” EGWPs (i.e., no plans will be offered to individual Medicare beneficiaries under the contract number): Applicants may designate national service areas and provide coverage to employer group members nationwide. However, entities that offer Non-Network PFFS plans must demonstrate adequate Part D network access in its defined service area in accordance with employer group waiver pharmacy access policy during the application process.

I certify that I am an authorized representative, officer, chief executive officer, or general partner of the business organization that is applying for qualification to offer employer/union-only group waiver plans in association with my organization’s Medicare Advantage Contract with CMS. I have read, understand, and agree to comply with the above statement about service areas. If I need further information, I will contact one of the individuals listed in the instructions for this application.

{Entity MUST complete for a complete application.}

2. CERTIFICATION

Note: Any specific certifications below that reference Part D are not applicable to MAO Applicants applying to offer Regular MSAs or Demonstration MSAs because these entities cannot offer Part D under these contracts. Entities can offer Part D benefits through a separate standalone Prescription Drug Plan (PDP); however, a separate application is required to offer “800 series” PDPs.

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For new MA Organization Applicants, this application, along with the *2010 Medicare Advantage Application* and the *2010 Solicitation for Applications for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors*, if applicable, comprise the entire EGWP application for MA Organization. All provisions of the *2010 Medicare Advantage Application* and the *2010 Solicitation for Applications for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors* apply to all employer/union-group waiver plan benefit packages offered by MA Organization except where the provisions are specifically modified and/or superseded by particular employer/union-only group waiver guidance, including those waivers/modifications set forth below.

For existing MA Organizations, this application comprises the entire “800 series” EGWP application for MA Organization. All provisions of the MA Organization’s existing contract with CMS will apply to all employer/union-group waiver plan benefit packages offered by MA Organization except where the provisions are specifically modified and/or superseded by particular employer/union-only group waiver guidance, including those waivers/modifications set forth below.

I, the undersigned, certify to the following:

- 1) Applicant is applying to offer new employer/union-only group waiver (“800 series”) plans and agrees to be subject to and comply with all CMS employer/union-only group waiver guidance.
- 2) In order for new MAO Applicants to be eligible for the CMS employer group waiver that allows certain MA Organizations (Non-Network PFFS, Regular MSA or Demonstration MSA) to offer employer/union-only group waiver plan benefit packages without offering plans to individual beneficiaries, Applicant understands and agrees that it must complete and submit the *2010 Medicare Advantage Application* and, if applicable, the *2010 Solicitation for Applications for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors* in addition to this application. The *2010 Medicare Advantage Application*, the *2010 Solicitation for Applications for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors*, if applicable, and this document comprise new MA Organization’s entire application.
- 3) In order for new MAO Applicants to be eligible for the CMS employer group waiver that allows Non-Network PFFS plans, Regular MSA or Demonstration MSA plans to offer employer/union-only group waiver plan benefit packages without offering plans to individual beneficiaries, MAO Applicant understands and agrees that it must be licensed in at least one state. (*Section 1.3 of the 2010 Medicare Advantage Application*)
- 4) Applicant understands and agrees that it is not required to submit a 2010 Part D bid (i.e., bid pricing tool) to offer its employer/union-only group waiver plans. (*Section 3.2.6.A.1 of the 2010 Solicitation for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors*)
- 5) In order for new MAO Applicants to apply to offer Part D for its Non-Network PFFS employer/union-only group waiver plan benefit packages without offering plans to individual beneficiaries, MAO Applicant understands and agrees that as part of its

completion of the *2010 Solicitation for Applications for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors*, it will submit GeoNetworks® retail pharmacy reports (Appendix IX - Retail Pharmacy Network Access Instructions) and other pharmacy access submissions (mail order, home infusion, long-term care, I/T/U) required at the time of application in Section 3.5 of the *2010 Solicitation for Applications for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors* for its entire designated EGWP service area. (Sections 3.3.B, 3.4.A.1 and 3.5 of the *2010 Solicitation for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors*)

6) MAO Applicants applying to offer employer/union-only group waiver plans and plans to individual beneficiaries understand and agree that it will not initially be required to have Part C or Part D networks in place for those designated EGWP service areas outside of their individual plan service areas or submit Part D GeoNetworks® retail pharmacy reports (Appendix IX - Retail Pharmacy Network Access Instructions) and other pharmacy access submissions (mail order, home infusion, long-term care, I/T/U) required in Section 3.5 of the *2010 Solicitation for Applications for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors* for its designated EGWP service area. However, Part C and Part D access sufficient to meet the needs of enrollees must be in place once an Applicant enrolls members of an employer or union group residing in particular geographic locations outside of its individual plan service area. (Sections 2.2, and 2.3 of the *2010 Medicare Advantage Application*; Section 3.5 of the *2010 Solicitation for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors*)

7) In order to be eligible for the CMS retail pharmacy access waiver of 42 CFR 423.120(a)(1) (i.e., application of “TRICARE” standards), Applicant attests that its retail pharmacy network is sufficient (or will be sufficient prior to enrollment) to meet the needs of its enrollees throughout the employer/union-only group waiver service area, including situations involving emergency access, as determined by CMS. Applicant acknowledges and understands that CMS may review the adequacy of the plan’s pharmacy networks and potentially require expanded access in the event of beneficiary complaints or for other reasons it determines in order to ensure that the plan’s network is sufficient to meet the needs of its employer group population. (Section 3.5.1.B of the *2010 Solicitation for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors*)

8) Applicant agrees to restrict enrollment in its employer/union-only group waiver plans to those Medicare eligible individuals eligible for the employer’s/union’s employment-based group coverage. (*Section 1.13.2.A.2 of the 2010 Medicare Advantage Application*)

9) Applicant understands that its employer/union-only group waiver plans will not be included in the processes for auto-enrollment (for full-dual eligible beneficiaries) or facilitated enrollment (for other low income subsidy eligible beneficiaries). (Section 3.6.A.2 of the *2010 Solicitation for Applications for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors*)

10) Applicant understands that its employer/union-only group waiver plans will not be subject to the requirements contained in 42 CFR 422.64 and 42 CFR 423.48 to submit information to CMS, including the requirements to submit information (e.g., pricing and pharmacy network information) to be publicly reported on www.medicare.gov, Medicare Prescription Drug Plan Finder (“MPDPF”) and the Medicare Options Compare. (Sections 3.8.A and 3.17.A.17 of the *2010 Solicitation for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors*)

11) Applicant understands that dissemination/disclosure materials for its employer/union-only group waiver plans are not subject to the requirements contained in 42 CFR 422.80 or 42 CFR 423.50 to be submitted for review and approval by CMS prior to use. However, Applicant agrees that it will submit these materials to CMS at the time of use in accordance with the procedures outlined in Chapter 9 of the Medicare Managed Care Manual (MMCM). Applicant also understands CMS reserves the right to review these materials in the event of beneficiary complaints or for any other reason it determines to ensure the information accurately and adequately informs Medicare beneficiaries about their rights and obligations under the plan. (Section 3.14.A.1 of the *2010 Solicitation for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors*)

12) Applicant understands that its employer/union-only group waiver plans will not be subject to the requirements regarding the timing for issuance of certain disclosure materials, such as the Annual Notice of Change/ Evidence of Coverage (ANOC/EOC), Summary of Benefits (SB), Formulary, and LIS rider when an employer’s or union’s open enrollment period does not correspond to Medicare’s Annual Coordinated Election Period. For these employers and unions, the timing for issuance of the above disclosure materials should be appropriately based on the employer/union sponsor’s open enrollment period. For example, the Annual Notice of Change/Evidence of Coverage (ANOC/EOC), Summary of Benefits (SB), LIS rider, and Formulary are required to be received by beneficiaries no later than 15 days before the beginning of the employer/union group health plan’s open enrollment period. The timing for other disclosure materials that are based on the start of the Medicare plan (i.e., calendar) year should be appropriately based on the employer/union sponsor’s plan year. (Section 3.14.A.10 of the *2010 Solicitation for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors*)

13) Applicant understands that the dissemination/disclosure requirements set forth in 42 CFR 422.111 and 42 CFR 423.128 will not apply to its employer/union-only group waiver plans when the employer/union sponsor is subject to alternative disclosure requirements (e.g., the Employee Retirement Income Security Act of 1974 (“ERISA”)) and complies with such alternative requirements. Applicant agrees to comply with the requirements for this waiver contained in employer/union-only group waiver guidance, including those requirements contained in Chapter 9 of the MMCM. (Sections 3.14.A.1-2, 8 of the *2010 Solicitation for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors*)

14) Applicant understands that its employer/union-only group waiver plans will not be subject to the Part D beneficiary customer service call center hours and call center performance requirements. Applicant attests that it will ensure that a sufficient mechanism is available to respond to beneficiary inquiries and will provide customer service call center services to these members during normal business hours. However, CMS may review the adequacy of these call center hours and potentially require expanded beneficiary customer service call center hours in the event of beneficiary complaints or for other reasons in order to ensure that the entity’s customer service call center hours are sufficient to meet the needs of its enrollee population. (Section 3.14.A.5 of the *2010 Solicitation for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors*)

15) Applicant understands that CMS has waived the requirement that the employer/union-only group waiver plans must provide beneficiaries the option to pay their premium through Social Security withholding. Thus, the premium withhold option will not be available for enrollees in Applicant’s employer/union-only group waiver plans. (Sections 3.6.A.9 and 3.24.A.2-4 of the *2010 Solicitation for New Medicare Advantage Prescription Drug Plan (MA-PD) Sponsors*)

16) In order to be eligible for the CMS service area waiver for Local Coordinated Care plans that allows an MAO to extend coverage to employer group members outside of its individual plan service area, Applicant attests it has at the time of application or will have at the time of enrollment, Part C networks adequate to meet CMS requirements and is able to provide consistent benefits to those beneficiaries, either itself or through partnerships with other MAOs. If Applicant is also applying to offer Part D, Applicant attests that such expanded service areas will have convenient Part D pharmacy access sufficient to meet the needs of these enrollees.

17) Regular MSA or Demonstration MSA employer/union-only group waiver plan Applicants understand that that they will be permitted to enroll members through a Special Election Period as specified in Chapter 2, Section 30.4.4.1, of the Medicare Managed Care Manual (MMCM).

18) This Certification is deemed to incorporate any changes that are required by statute to be implemented during the term of the contract, and any regulations and policies implementing or interpreting such statutory provisions.

19) I have read the contents of the completed application and the information contained herein is true, correct, and complete. If I become aware that any information in this application is not true, correct, or complete, I agree to notify CMS immediately and in writing.

20) I authorize CMS to verify the information contained herein. I agree to notify CMS in writing of any changes that may jeopardize my ability to meet the qualifications stated in this application prior to such change or within 30 days of the effective date of such change. I understand that such a change may result in termination of the approval.

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21) I understand that in accordance with 18 U.S.C. § 1001, any omission, misrepresentation or falsification of any information contained in this application or contained in any communication supplying information to CMS to complete or clarify this application may be punishable by criminal, civil, or other administrative actions including revocation of approval, fines, and/or imprisonment under Federal law.

22) I acknowledge that I am aware that there is operational policy guidance, including the forthcoming 2010 Call Letter, relevant to this application that is posted on the CMS website and that it is continually updated. Organizations submitting an application in response to this solicitation acknowledge that they will comply with such guidance should they be approved to offer employer/union-only group waiver plans in association with the organization’s Medicare Advantage Contract with CMS.

I certify that I am an authorized representative, officer, chief executive officer, or general partner of the business organization that is applying for qualification to offer employer/union-only group waiver plans in association with my organization’s Medicare Advantage Contract with CMS. I have read and agree to comply with the above certifications.

{Entity MUST check box for a complete application.}

{Entity MUST create 800-series PBPs during plan creation and designate EGWP service areas.}