

**MEDICARE DRUG & HEALTH PLAN CONTRACT ADMINISTRATION GROUP**

DATE: November 10, 2014

TO: All Medicare Advantage Organizations and Network Private Fee-For Service Initial and Service Area Expansion Applicants and Transitioning Incumbent PFFS Plans

FROM: Kathryn A. Coleman, Acting Director

SUBJECT: Release of Contract Year 2016 Medicare Advantage Health Services Delivery Guidance and Reference Tables

As a part of the Medicare Advantage (MA) application process, applicants who apply to offer Coordinated Care plans and network Private Fee-For-Service plans must demonstrate they have an adequate contracted provider network sufficient to provide access to covered services, as required by 42 CFR 422.112(a)(1). The purpose of this memorandum and attached guidance is to describe CMS' process for Health Services Delivery (HSD) automated review and refinements to this process for the contract year (CY) 2016 application. Significant changes are listed below:

- *Total Beneficiaries*- These values were updated to reflect the most recently published number of Medicare beneficiaries in each county. This affects the minimum number of providers and acute inpatient hospital beds criteria.
- *County Types*- These designations were updated, as needed, to reflect the most recently published population and density in each county.
- *Criteria for Pacific Territories*- Criteria for Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa counties are included in the CY 2016 reference file.

In addition, similar to previous years, this year's applicants will have weekly opportunities, following the release of the final CY2016 application and prior to the final application submission date, to submit their network data for evaluation against the standardized criteria. This pre-submission process, which CMS expects all applicants to fully utilize, will enable applicants to identify those areas where their networks fall short of the set criteria and where the applicant should focus additional contracting efforts to fully meet the requirements. CMS will release additional instructions regarding this pre-submission assessment process in January 2015.

Additionally, CMS has posted the CY 2016 HSD Criteria Reference File, which can be found on the CMS website at <http://www.cms.hhs.gov/MedicareAdvantageApps/>. Please send any questions regarding these topics to <https://dmao.lmi.org/> and select the Applications Tab.