

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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Baltimore, Maryland 21244-1850



MEDICARE-MEDICAID COORDINATION OFFICE

DATE: September 07, 2023

TO: Medicare-Medicaid Plans

FROM: Lindsay P. Barnette
Director, Models, Demonstrations, and Analysis Group

SUBJECT: Medicare-Medicaid Plan Past Performance Reviews

The Centers for Medicare & Medicaid Services (CMS) annually reviews the performance of all Medicare contractors. The methodology for this review is codified at 42 CFR §§ 422.502(b)(1) and 423.503(b)(1). The past performance review determines if CMS permits an organization to enter into a new contract or expand an existing contract.

Throughout the course of the Financial Alignment Initiative, we have also prohibited legal entities identified as past performance outliers from receiving passive enrollment into Medicare-Medicaid Plans (MMPs) within the same legal entity. In addition to the spring review that is conducted in conjunction with the Medicare Advantage application cycle, starting in the fall of 2023, CMS will resume conducting a second review of legal entities that offer MMPs. This fall review will continue to apply the methodology codified in regulation and will only apply for the purposes of determining MMP eligibility for passive enrollment, where applicable from a Financial Alignment Initiative demonstration.

The performance window for the fall review will be a 12-month retrospective review from November 1, 2022, to November 1, 2023. The results from the fall review could allow CMS to reinstate passive enrollment to impacted MMPs whose legal entity demonstrates sufficient improvement from the spring review. CMS will use the fall results to determine if additional MMPs will be prohibited from receiving passive enrollment as a result of poor performance. CMS will notify MMPs if their performance will impact passive enrollment after both the spring and fall reviews.

For any questions about the contents of this memorandum, please contact your Contract Management Team or the Medicare-Medicaid Coordination Office at MMCOCapsModel@cms.hhs.gov.