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TO: All Medicare Advantage Organizations and Prescription Drug Plans

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SUBJECT: Industry-wide Appeals Timeliness Monitoring

This memo provides an overview of a large scale monitoring project that CMS is implementing¹ around Part C organization determinations and reconsiderations and Part D coverage determinations and redeterminations. Effective appeals processing by sponsors is one of the most critical areas of the Medicare Advantage (MA) and Part D programs. These programs provide key beneficiary protections to access essential medical care and/or prescription medications, but Medicare Parts C and D audits have consistently identified performance issues in these areas (referred to as ODAG and CDAG)².

There are two important goals for this project. The first is to provide greater information to evaluate the integrity and completeness of the Independent Review Entity (IRE) data. The second goal is to improve the overall monitoring of compliance with ODAG and CDAG.

Since 2007, the Star Ratings have included measures of sponsors' timely and appropriate appeal decisions. All four Star Rating appeal measures use data reported by sponsors to Maximus, the IRE. CMS takes the integrity of the data we use to inform Part C and D Star Ratings very seriously, and we want to ensure only the most complete and accurate data are used. Information from the Medicare Parts C and D audits on sponsor's processing and operational issues is one means of evaluating the integrity and completeness of the IRE data. Additionally, targeted review of IRE cases and relevant compliance actions may be considered as evidence that the IRE data are incomplete. CMS considers data integrity issues, if identified, as an indicator that a contract's measure data are invalid and cannot be used in the Star Ratings program.

¹ The burden for this monitoring effort is included in CMS-10191, which was published in the Federal Register on November 4, 2016 for its 30 day comment period as part of the Paperwork Reduction Act approval process.

² Part C Organization Determinations, Appeals & Grievances (ODAG) and Part D Coverage Determinations, Appeals & Grievances (CDAG)

This monitoring effort is a first step for CMS to assess the completeness of the data at the IRE across all contracts, and the results may be considered in the Star Ratings data integrity review process. Additional information regarding the Star Ratings data integrity reviews will be included in the draft 2018 Call Letter for public comment.

Beginning in December 2016, CMS will collect various ODAG and CDAG audit universes from each contract to assess all sponsors' timeliness in processing both Part C and D requests, as well as sponsor compliance with forwarding cases to the IRE. The request will be retrospective, requesting 2016 data.

Operational Details of Industry-wide Timeliness Monitoring

CMS is utilizing two audit support contractors to collect and analyze these data. Those contractors are David James, LLC and Conrad. Sponsors will receive emailed communications from one of these organizations requesting the data needed for this monitoring effort. Please make note of these organizations' names so future requests will be identified as legitimate requests for data on behalf of CMS. The email from these contractors will include additional instructions on the period being tested, how to submit the data through the Secure File Transfer Protocol (SFTP), actual deadlines for submission, and information on when validation webinars will be scheduled.

Sponsors are expected to submit the data via SFTP within 15 business days after receiving the request. In order to initiate the setup of an SFTP user account, sponsors need to identify a single contact within their organization who will be responsible for uploading universes. No later than December 7, 2016 sponsors must send the first name, last name, e-mail address and telephone number for their designated SFTP contact to CMSProgramAudits@mslc.com.

The following universes, using the 2016 audit protocol templates, will be requested:

ODAG:

- Table 1: Standard Pre-service Organization Determinations (SOD) Record Layout
- Table 2: Expedited Pre-service Organization Determinations (EOD) Record Layout
- Table 3: Requests for Payment Organization Determinations (Claims) Record Layout
- Table 4: Direct Member Reimbursement (DMR) Requests Record Layout
- Table 5: Standard Pre-service Reconsiderations (SREC) Record Layout
- Table 6: Expedited Pre-service Reconsiderations (EREC) Record Layout
- Table 7: Requests for Payment Reconsiderations (PREC) Record Layout

CDAG:

- Table 1: Standard Coverage Determinations (SCD) Record Layout
- Table 2: Standard Coverage Determination Exception Requests (SCDER) Record Layout
- Table 3: Direct Member Reimbursement Request Coverage Determinations (DMRCD) Record Layout
- Table 4: Expedited Coverage Determinations (ECD) Record Layout

- Table 5: Expedited Coverage Determination Exception Requests (ECDER) Record Layout
- Table 6: Standard Redeterminations (SRD) Record Layout
- Table 7: Direct Member Reimbursement Request Redeterminations (DMRRD) Record Layout
- Table 8: Expedited Redeterminations (ERD) Record Layout
- Table 9: Standard IRE Auto-forwarded Coverage Determinations and Redeterminations (SIRE) Record Layout
- Table 10: Expedited IRE Auto-forwarded Coverage Determinations and Redeterminations (EIRE) Record Layout

The same enrollment bands that are listed in the ODAG and CDAG audit protocols will be used to determine the amount of data to be collected from each sponsor. That is, sponsors with a total enrollment (across all contracts) over 250,000 enrollees will submit one month of data for each of the above universes, sponsors with an enrollment of 50,000 to 250,000 enrollees will submit two months of data, and sponsors with an enrollment of less than 50,000 enrollees will submit three months of data. The 2016 program audit protocols can be located in the *Downloads* section at the bottom of the following page:

<https://www.cms.gov/Medicare/Compliance-and-Audits/Part-C-and-Part-D-Compliance-and-Audits/ProgramAudits.html>

Once data are received, CMS will review the data and schedule a validation webinar to ensure that the data provided in the universes match the data in the sponsor's systems. If data are found to not be valid, sponsors will be required to resubmit data and undergo another validation. Failure to successfully submit universes may result in compliance actions by CMS.

CMS will run a timeliness analysis on all validated universes and determine a rate of timeliness for each case type. Sponsors will be provided the results of the timeliness analysis and given 5 business days to rebut any areas of disagreement. CMS will consider any rebuttals and then issue final results. The findings will be reviewed and may result in compliance actions, if necessary, and will have implications for the Star Ratings data integrity reviews for the four appeals measures.

Questions regarding this monitoring project can be sent to part_c_part_d_audit@cms.hhs.gov. Questions about Part C and D Star Ratings can be sent to PartCandDStarRatings@cms.hhs.gov.