

**America's Health
Insurance Plans**

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January 3, 2017

Centers for Medicare & Medicaid Services
Office of Strategic Operations and Regulatory Affairs
Division of Regulations Development
Attention: CMS-10636 (OMB No. 0938-New)
Room C4-26-05
7500 Security Boulevard
Baltimore, MD 21244-1850

Re: CMS-10636 (OMB No.: 0938-New)

Dear Sir or Madam:

We are writing on behalf of America's Health Insurance Plans (AHIP) in response to the notice under the Paperwork Reduction Act concerning the "Three-Year Network Adequacy Review for Medicare Advantage Organizations" published by the Centers for Medicare & Medicaid Services (CMS) in the Federal Register (81 FR 76945) on November 4, 2016. The proposed new network adequacy reviews are of significant interest to AHIP's member organizations, many of which participate in the Medicare Advantage (MA) program.

CMS is proposing to review the networks of MA organizations (MAOs) every three years in order to improve the agency's monitoring activities to ensure compliance with CMS' network adequacy criteria. These criteria include a minimum number of providers and facilities and maximum travel time and distance from enrollees to providers, for each provider specialty type in each county. CMS' network adequacy reviews would require MAOs to upload Health Service Delivery (HSD) tables (that contain network data) to the Network Management Module (NMM) in CMS' Health Plan Management System (HPMS). We have identified several aspects of the agency's proposal that require clarification, which are addressed below.

- **Clarification Regarding Triggering Events.** In the Supporting Statement, CMS indicates that currently network reviews are triggered by certain events (e.g., initial or service area expansion applications, request to offer a provider-specific plan, novation, network adequacy audit, significant network change, self-disclosed network deficiency, CMS-suspected network issue). CMS also states that "[s]ome of the triggering events may warrant only a partial network review. For example, CMS may review a select set of specialty types or

counties, instead of reviewing the entire network with all specialty types and counties.” CMS is proposing that for the first year of data collection, the agency would issue an initial letter to all MAOs with contracts that have not received an entire network review in the previous twelve months requesting the upload of HSD tables. This would be the starting point for these plans which would then trigger the three-year review cycle. Plans that have already undergone a comprehensive network review within the previous twelve months would be subject to their next review at a date three years after their last review. The Supporting Statement further indicates that “[e]ach time an MAO’s contract undergoes an entire network review during any of the triggering events listed on page one, the three-year anniversary date for that contract will be reset.” Given that triggering events impact the timing of comprehensive network reviews, we request that CMS provide more details about the criteria the agency will use for determining when a triggering event warrants a full network review.

- **Timing of Initial Reviews and Coordination of Audits and Monitoring Activities.** As indicated above, CMS is proposing that MAOs with contracts that have not received an entire network review in the previous twelve months would be subject to a comprehensive network adequacy review. We recommend that CMS provide additional information regarding the actual timing of these initial comprehensive reviews and produce continuing guidance in a transparent manner throughout the implementation process. Given the increasing volume and frequency of MA and Part D audits and monitoring efforts, we also believe there is a need for greater coordination of these activities to increase efficiency, reduce redundancy and minimize administrative burdens and welcome the opportunity to work with CMS and the industry to achieve this goal.

The Supporting Statement notes that CMS will likely send the HSD upload request letters in September of each year (after the application cycle has concluded) and that “[a]fter receiving their letters, each MAO will have 20 days before the NMM gates open to test their networks and prepare, and then the gates will remain open for 10 days.” Given the extensive scope of these reviews, we believe that MAOs should be given as much advance notice and preparation time as possible (e.g., 60-days advance notice) to ensure proper resource allocation. Sufficient advance notice also provides plans with time needed to verify the accuracy of their network data prior to uploading.

- **Additional Information on Appeals, Compliance Actions and Exception Requests.** The Supporting Statement provides that CMS may take appropriate compliance actions if network deficiencies are found. We believe CMS should provide additional information on the types of actions the agency intends to take if deficiencies are found, whether MAOs have an opportunity to respond to any finding before it is finalized and details regarding the appeals process. Furthermore, CMS indicates that during these network adequacy reviews, MAOs may submit exception requests for consideration and must resubmit all previously approved exception requests to the agency. Prior to finalizing its proposal on three-year network adequacy reviews, CMS should work with the industry to develop improvements to

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the current exceptions criteria and process. This engagement will help to ensure alignment with the changing healthcare landscape and efforts to transition to value-based health care.

We appreciate the opportunity to comment. Please contact me if additional information would be helpful or if you have questions about the issues raised in this letter. I can be reached at (202) 778-3256 or mhamelburg@ahip.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'mhamelburg', written in a cursive style.

Mark Hamelburg
Senior Vice President, Federal Programs