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August 18, 2017

Office of Management and Budget (OMB)
Office of Information and Regulatory Affairs (OIRA)
Attention: CMS Desk Officer
Submitted by e-mail to OIRA_submission@omb.eop.gov

RE: CMS Three-Year Network Adequacy Review for Medicare Advantage Organizations CMS-10636,
OMB 0938-New

Dear CMS Desk Officer:

This letter is in response to the request for comments regarding the Paperwork Reduction Act of 1995 (PRA) review of the Centers for Medicare and Medicaid Services (CMS) "Three-Year Network Adequacy Review for Medicare Advantage Organizations (MAO)." We appreciate the opportunity to provide comments and feedback on the proposed documents.

Humana Inc., headquartered in Louisville, Kentucky, is a leading health care company that offers a wide range of insurance products and health and wellness services that incorporate an integrated approach to lifelong well-being. As one of the nation's top contractors for Medicare Advantage (MA) with approximately 3.29 million members and Medicare Prescription Drug Plans (PDPs) with approximately 5.12 million members, we are distinguished by our near 30-year, long-standing, comprehensive commitment to Medicare beneficiaries across the United States. These beneficiaries – a large proportion of whom depend on the Medicare Advantage program as their safety net and many in underserved areas – receive integrated, coordinated, quality, and affordable care through our plans.

Three-Year Network Adequacy Review for Medicare Advantage Organizations; CMS-10636, OMB 0938-New – Supporting Statement – Part A

Background

CMS plans to review MA provider and facility networks, at a minimum every three years or possibly sooner if there is a network review triggering event.

Comment: Humana supports the change to periodic reviews of MA networks in order to ensure adequate member access to services.

In the first year of data collection, CMS will issue a Health Service Delivery (HSD) request letter at least 60 days in advance of the required upload of current HSD tables to all MAOs with contracts that have not received an entire network review in the previous twelve months.

Comment: Over the past two years, contracts submitted as part of the Service Area Expansion or Initial Application processes have undergone network adequacy reviews for the full contract service area. Because of this, **Humana recommends that CMS exempt contracts submitted as part of the CY2017 and CY2018 new or expansion application process from the first year of network adequacy review.** These contracts should then be incorporated into the proposed three-year cycle, if they are not subject to review sooner based on a review triggering event.

After receiving their HSD upload request letters, MAOs will have at least 60 days (50 days before the Network Management Module (NMM) in Health Plan Management System (HPMS) gates are opened and 10 days after) to prepare their HSD tables and test their networks prior to the CMS-specified deadline. After the deadline, CMS will assess the network's adequacy and determine whether any deficiencies exist, and if so, take appropriate compliance actions.

Comment: Humana requests that CMS make available a proposed timeline for network adequacy review based on Service Area Expansion or Initial Application. Key areas of information for a timeline include the proposed timing of the request for information in relation to an MAO's expansion application, any proposed periods of correction of deficiencies in a plan's HSD tables, and the timing of those submissions as they relate to other critical portions of the application.

Additionally, when CMS makes new information available to MAOs, a period of review and adjustment is needed. **Humana supports a 30-day grace period between the release of new information to allow for assessment and incorporation of that information. For any changes that would be used to measure an MAO's network adequacy, Humana supports allowing plans a 90-day lead time for adjustment to those changes. For any changes that would require significant process changes, Humana suggest a 45-day lead time.**

Comment: At present, expansion county withdrawals prior to final application submission are part of the application process when network adequacy criteria cannot be met with the currently contracted network. **Humana requests clarification on whether this option will still be available when networks are reviewed based on new or expansion applications in the proposed information collection methodology. Humana supports retaining this expansion and new county contract exit mechanism for network adequacy reviews triggered by Initial and Service Area Expansion Applications. We also recommend that there be at least two correction periods to allow plans to correct network deficiencies identified through the review of HSD table submissions.**

2. Information Users

The NMM will generate a report, based on the information submitted by plans, on whether the MAO's contract passed or failed the network adequacy review. The MAO will have the opportunity to submit Exceptions Requests and CMS staff will view the HPMS reports and Exception Requests to determine whether the MAO is operating in compliance with network adequacy criteria. No action will be taken if the MAO passes the review. If an MAO fails the review, CMS will take appropriate compliance actions and the plan will be required to come into compliance by curing the network deficiencies.

Comment: Humana supports the continued publication of this information and recommends the release of this information at least twice annually. We believe that it is critical for plans to have full transparency into the process by which plans will be assessed for network adequacy.

In addition, the CMS Supply File gives MAOs valuable insight into the criteria on which exceptions determinations will be judged. **Humana requests clarification on whether final exception determinations will be followed by an opportunity for the MAO to correct or withdraw from a proposed Service Area Expansion or Initial Application.** We request that county withdrawal mechanisms remain in place for new and expansion service areas. This will help avoid the need for compliance action when MAOs attempt to expand in new geographies but are unable to meet the network adequacy criteria because of a failed exception submission.

Table 6: Annual Cost Burden

The figures in this table estimate the annual cost burden based on the estimated cost per response for each information collection instrument (staff salary and hours) and the annual number of responses. The estimated total annual cost burden for collecting this information is \$1,043,831.84.

Comment: When estimating annual cost burden, Humana encourages CMS to incorporate a reasonable assessment of the costs associated with technology upgrades and maintenance costs related to the management and collection of the information in this proposal. Humana has incurred significant IT expenses over several years to comply with changes to the documentation and submission of data related to network adequacy compliance. **Cost estimates for support of this particular information collection would place our annual costs at approximately \$1 million.** Our expectation is that these costs will continue at this rate for ongoing support. **Humana has explored the option of using a third party vendor to support the collection of this information and has received cost estimates of approximately \$1.5 million in the first year of data collection and around \$1.2 million in subsequent years.**

Sincerely,



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