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To: All Medicare Advantage Organizations and Prescription Drug Plan Sponsors

From: Jerry Mulcahy, Director
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Subject: CY 2016 Pilot Audit Protocol Release and Updates: Medication
Therapy Management (MTM) and Provider Network Accuracy (PNA)

On October 20, 2015, CMS issued the CY 2016 Program Audit Protocols for the Medicare Advantage (MA) and Prescription Drug (Part D) programs, with the exception of two pilot audit protocols that were still in development. The purpose of this memorandum is to announce the release of the Medication Therapy Management (MTM) pilot audit protocol for the 2016 calendar year and provide an update on the Provider Network Accuracy pilot.

Similar to the audit process documents for existing program audit areas, the Medication Therapy Management pilot protocol defines the audit purpose, universe and sample selection processes, the evidence required for review and submission, and the compliance standards tested during the audit. The MTM pilot will be conducted via webinar during week two of the CY 2016 program audits and will be subject to the pre-audit activities described in *Attachment X – Audit Process Document*. Although the results of the pilot will be displayed in the draft audit report, the results of this pilot will not count against a sponsor and do not factor into the overall audit score. Furthermore, the results will not appear in the final audit report. Any sponsors with an MTM program that are scheduled for a CY 2016 audit after the release of the MTM pilot protocol may be included in the MTM pilot. However, we will not retrospectively apply the pilot protocol to sponsors audited prior to the MTM protocol release.

The CY 2016 Medication Therapy Management Pilot protocol and other associated audit documents are located in the *Downloads* section of the CMS Program Audit website, located here:

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

We are in the process of developing a second pilot, which we had been calling our Provider Network Accuracy (PNA) pilot. This pilot will test the accuracy of the data in a sponsor's provider directory as well as in their Health Service Delivery (HSD) tables, but will not actually evaluate the adequacy of a sponsor's network. CMS is currently engaged in wide scale monitoring efforts with respect to network accuracy and provider directories. The Medicare Parts C & D Oversight and Enforcement Group (MOEG), in coordination with the Medicare Drug & Health Plan Contract Administration Group (MCAG) are taking a comprehensive approach to monitor, audit and validate compliance with these requirements. Therefore, MOEG's pilot will be using the results of MCAG's monitoring efforts each year to audit and validate correction of any deficiencies identified throughout the year.

More specifically, MCAG will be selecting a number of contracts and calling providers in those contracts' provider directories to ensure that the provider is still contracted with the plan and that other information about the provider is correct (e.g., correct address and phone number). When errors are identified, MCAG will notify sponsors of any errors identified in their directories with instructions to correct the errors.

MOEG will wait for a minimum of 30 days after a sponsor has been notified of their errors and once that timeframe has passed, MOEG will validate that a sponsor's provider directory and corresponding HSD tables have been updated and reflect accurate information. MOEG will notify sponsors who continue to have errors in their directories or HSD tables via a letter. This pilot will not be administered as a normal audit protocol and will not be performed in conjunction with the CY 2016 program audits. This information will not appear in an audit report.

Those organizations who fail to correct and come into compliance with these requirements may be subject to possible enforcement action, including civil money penalties or enrollment sanctions. If there are any questions relating to the either of these two pilots, please send those questions to the audit mailbox, part_c_part_d_audit@cms.hhs.gov.