



Practical Considerations for Launching Medicare Advantage
Uncovering the Mystique

presented by
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Overview

- Assessing market viability
- Assessing plan readiness
- Preparing the application
- Preparing for CMS site review
- Building and testing operations
- Launching a marketing campaign
- Avoiding disasters at go-live

Types of Medicare Advantage Plans

- Several types of plans are available
 - » Coordinated Care Plan (CCP) – traditional HMO
 - » Special Needs Plan (SNP)
 - » Private Fee-for-Service (PFFS)
 - » Regional Preferred Provider Organization (RPPO)
 - » Medical Savings Account (MSA)
- CCP or PFFS plans must also offer a Part D benefit as Medicare Advantage Prescription Drug Plan (MA-PDP)
- This presentation focuses on the CCP plan type (will not discuss MA-PDP in detail)

Assessing Market Viability

- Network – do you have *my* doctor?
- Competitive situation – who are you up against?
 - » There are many Medicare Advantage plans available already
 - » Go to www.medicare.gov/MPPF/Include/DataSection/Questions/GeneralQuestions.asp
 - » 30 plans available in my zip code alone
 - » What is *your* differentiator?
- *Can my plan achieve enrollment sufficient to account for the increased costs, including implementation and operations?*



Assessing Plan Readiness

- Testing of core requirements – does plan measure up today?
 - ✓ At-risk HMO license (or other exemption)
 - ✓ Compliance
 - ✓ Medical management capability
 - ✓ Prescription drug coverage
 - ✓ Information systems and reporting
 - ✓ Network
 - ✓ Policies and procedures
- Marketing and sales – do you need to make substantial changes?
 - » Extensive marketing guidelines
 - » Substantial CMS scrutiny due to abuses
- Resources – can you devote the time/effort to be successful?
 - ✓ Network re-contracting (if required)
 - ✓ Application development
 - ✓ Organizational development
 - ✓ System implementation
 - ✓ Marketing launch
 - ✓ Policies and procedures

Preparing the Application – Prework

- Forms
 - » Submit Health Plan Management Access (HPMS) form immediately
 - » Need this to submit MA-PDP application data and other admin data
- CMS Relationships
 - » Contact CMS headquarters and regional offices
 - » Will need this for answers during process
- State
 - » Advise insurance regulators of your plans
 - » Will need their signoff on forms
- Network
 - » If you need to contract or recontract, start early
 - » Specialty networks are critical for the aging population

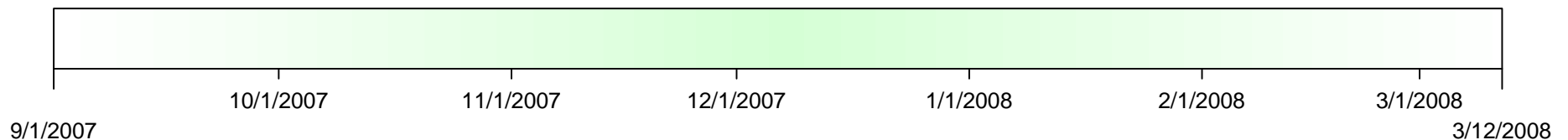
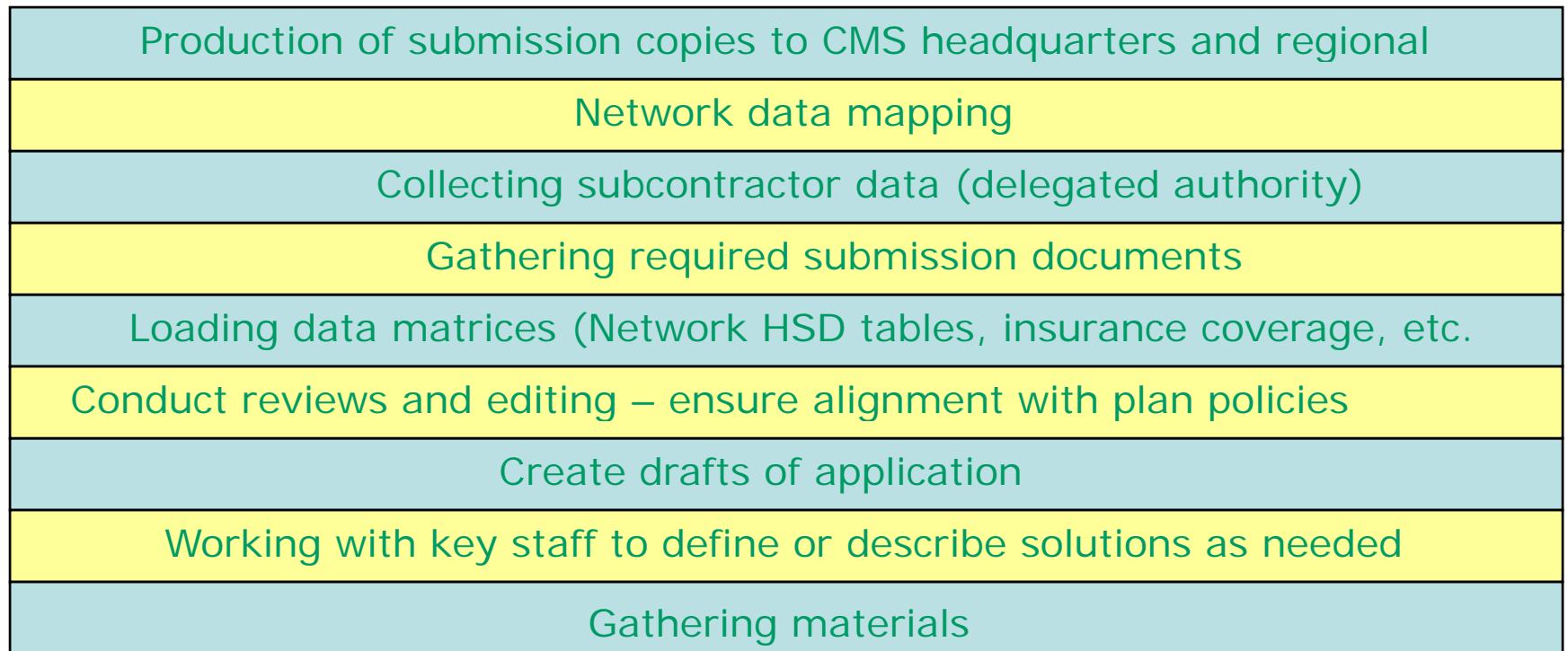


Preparing the Application – Development

- CCP plan application similar or greater than a significant state application or Medicaid RFP in scope of questions; submit document
- Must also submit MA-PDP data online (yes/no questions, exemptions, network data)
- Assemble work team early
 - » Non-dedicated team – start in September of prior year
 - » Dedicated team – could start in January of due year (*only if* prework has been done effectively)

Preparing the Application – Development (cont'd)

Plan project – allow time for



Preparing for CMS Reviews

- Anything covered by the application is subject to review
- Have in place:
 - » Policies and procedures – ensure that policies comply with Medicare law and regulation
 - » Information systems reports – show how these will comply with regulation and reporting requirements
 - » Provider contracts – CMS may verify signature pages against HSD tables submitted

Building Operations – Planning

- During preparation, account for operations impact
- “How will we implement this?”
 - » Policy changes
 - » Benefit offering
 - » Provider contracts – reimbursement terms
 - » Medical management approach
 - » Marketing and sales
 - » Training
- Careful planning and risk management
 - » Planning sessions for changes to accommodate MA – before application submission
 - » Project planning for implementation of MA plan
 - » Risk identification, quantification, and mitigation



Building Operations – Systems

- Configuration and testing of the benefit, including authorization requirements
- Configuration and testing of reimbursement – how will you price complex contracts?
- Testing – development of comprehensive test plan and data set, tracking of test cycles, results, and fixes

Launching a Marketing Campaign

- What media will you use? How do you reach the population?
- How will your message cut through the noise?
 - » Many confusing plan options available to Medicare eligibles
 - » Tendency will be to “stick with the devil I know” rather than switch, unless dissatisfied
- What is your marketing network? In-house sales or outside brokers?
- How will you ensure compliance?
 - » Training
 - » Monitoring
 - » Compliance actions

Avoiding Disasters at Go-Live

- Preparation is key
- Elements not considered or addressed in planning and implementation
 - » Member call volumes, talk times, and differences in types of questions asked by the Medicare population
 - » New reimbursement methods for facilities
 - » Member packet problems
 - » Marketing and sales issues
- Formal project planning and management practices
- All implementation team members *must* understand program

Questions?

For More Information

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