



CENTER FOR MEDICARE

February 24, 2022

Corrective Action Plan

Contract ID: S5596

Parent Organization Name: Anthem Inc.

Legal Entity Name: ANTHEM INSURANCE COMPANIES, INC.

Michelle Turano
Medicare Compliance Officer
4200 W. Cypress Street
Tampa, FL 33607

VIA EMAIL: MedicareCO@anthem.com

RE: Failure to Submit CY 2022 Crosswalk by Bid Deadline

Dear Michelle Turano:

The Centers for Medicare & Medicaid Services (CMS) is issuing a request for ANTHEM INSURANCE COMPANIES, INC., which operates Medicare Part D Contract ID S5596, to develop and implement a corrective action plan (CAP) to address the organization's failure to meet the June 7, 2021 deadline for the submission of its plan crosswalk, as part of its contract year (CY) 2022 Part D bid. We are issuing this request because CMS issued a request for a CAP to your organization for its failure to comply with similar bid submission requirements for CY 2021.

Part D program regulations at 42 C.F.R. § 423.265(c) state that each potential Part D sponsor must submit bids (and supplemental information specified by CMS) that reflect the features (e.g., premium amount, cost sharing) and projected cost estimates of each benefit package it expects to offer. As outlined in the HPMS Memo entitled "Release of the Contract Year (CY) 2022 Bid Upload Functionality in HPMS" (dated May 13, 2021), one of the requirements for a complete bid submission is a plan crosswalk, where applicable. As required by 42 C.F.R. § 423.265(b)(1), each potential Part D sponsor must submit its complete bid by the first Monday in June according to instructions issued by CMS. CMS requires that sponsors submit these bids by uploading the necessary information into our Health Plan Management System (HPMS). [1] For CY 2022, the first Monday in June was June 7, 2021.

Organizations are responsible for ensuring that complete and accurate CY 2022 bids were submitted by the June 7, 2021 deadline. Yet, the Part D portion of S5596's initial bid failed to constitute a complete and accurate bid submission. This deficiency was revealed by the following:

The contract intended to terminate an Enhanced Alternative (EA) plan in each of its Prescription Drug Plan (PDP) regions and failed to crosswalk the affected beneficiaries into a comparable continuing plan for CY 2022.

The need for CMS to work with S5596 to correct its CY 2022 bid indicates that it failed to comply with Part D regulatory requirements and follow CMS bid instructions.

CMS requests that your organization take corrective action to come into compliance. CMS will rely on S5596's CY 2023 bid submission to determine whether the corrective action plan has been successfully implemented. CMS will consider the CAP closed once the Division of Formulary and Benefit Operations has determined that S5596's CY 2023 bid submission demonstrates that it has effectively resolved the issues described above.

CMS afforded your organization an opportunity to submit crosswalk exceptions during the CY 2022 Stage 2 Review window from July 6-8, 2021. While you may have taken advantage of that opportunity, the initial missed deadline placed your organization out of compliance with Part D program requirements.

CMS notes that we are issuing this compliance notice based on information that we obtained from sources other than the sponsor's own self-disclosure.

For questions regarding your bid submission, please contact the Part D Benefits mailbox at PartDBenefits@cms.hhs.gov. If you have any questions about the compliance implications of this notice, please contact Christine Hill at Christine.Hill@cms.hhs.gov and copy your account manager.

Sincerely,



Amy Larrick Chavez-Valdez, Director

Medicare Drug Benefit and C&D Data Group

CC via email:

ALBERT LICUP, CMS

Linda Anders, CMS
Michael Neuman, CMS
Christine Hill, CMS

[1] The instruction for bids to be submitted via HPMS can be found in the preamble of CMS-4068-F (70 FR 4290).