

Date: September 5, 2002

To: Medicare +Choice Organizations

From: Director  
Health Plan Benefits Group

Subject: 2003 Model Annual Notice of Change

The purpose of this memorandum is to provide additional information for all Medicare +Choice (M+C) organizations preparing their 2003 Annual Notices of Change (ANOC). The model ANOC can be found as an attachment to my June 25, 2002 memorandum, entitled "Implementation of Medicare + Choice provisions contained in the Public Health Security and Bioterrorism Response Act of 2002," which is located at <http://cms.hhs.gov/healthplans/acr/>.

It has come to our attention that some organizations use envelopes with windows when sending the ANOC to members. However, the model ANOC suggests that the organization should include the member's Medicare number and member number in the address block, which poses problems with respect to protecting member privacy. Therefore, to protect the privacy of its members, M+C organizations may choose to exclude the Medicare number and the member number from the address and still receive the 10-day expedited marketing review if they have otherwise followed the model ANOC without modification.

In addition, the second paragraph of the model ANOC refers to a "modified" ANOC, and suggests what information organizations should include when preparing this type of ANOC. The "modified" ANOC is used in cases of a plan termination where a Medicare beneficiary is being given a "passive election" into another of the organization's plans. Some organizations have requested that we provide model language for the "modified" ANOC. This model language is attached. Since we are providing this model language late in the season, M+C organizations that do not use this model language and that instead follow the model instructions for the "modified" ANOC provided in my June 25 memorandum, will still receive the expedited 10-day marketing review if they otherwise follow the June 25 model without modification.

Questions about this memorandum may be referred to Wendy Burger, of my staff, at (410) 786-1566 or [wburger@cms.hhs.gov](mailto:wburger@cms.hhs.gov). Thank you.

## **Attachment: Model Language for Modified ANOC**

When using this language, delete the first paragraph of the model ANOC and replace it with the next three paragraphs.

Starting January 1, 2003, <M+C plan name> will no longer be offered in your area and you will instead become a member of <M+C plan name>. The monthly premium that you will pay to <M+C plan name> will be \$\_\_\_\_\_.

If you agree with this change (to become a member of <M+C Plan name>) you need do nothing further. However, if you do not want to become a member of <M+C plan name> you can either join another Medicare health plan in your area, or you can disenroll and begin getting your Medicare benefits through Original Medicare.

If you want to either explore your options or not become a member of <M+C plan name>, there are several ways you can get information about your rights and about which Medicare health plans are available in your area.. You can call our Customer Service Department at <insert proper # and TTY/TDD#, including hours of operation>, or call 1-800-MEDICARE (1-800-633-4227; TTY/TDD 1-877-486-2048).

If you choose to leave our plan, the following rights are available to you:

- **If you are 65 or over**, you have a right to purchase any Medigap policy designated A, B, C or F that is available in your state. You must apply for the policy no later than March 4, 2003.
- **If you are under 65**, you have a right to purchase any Medigap policies A, B, C or F that is otherwise available to people under 65 in your state. You must apply for the policy no later than March 4, 2003.
- **If you have end stage renal disease (ESRD)**, you have the same Medigap rights mentioned above, depending on whether you are over or under age 65. You also have additional special rights to enroll in any other Medicare+Choice Plan available in the area in which you are living.

Please refer to your *Medicare & You 2003* handbook, or go to Medicare's Website at [www.medicare.gov](http://www.medicare.gov), for more information about your rights.