

Medicare Preferred Provider Organization (PPO) Geographic Service Area Report

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Introduction

The purpose of this project is to evaluate the Centers for Medicare & Medicaid Services' (CMS') Medicare Preferred Provider Organization (PPO) Demonstration, which began providing services to Medicare beneficiaries on January 1, 2003. By initiating this demonstration project, CMS has the following policy goals:

- Increase access for Medicare beneficiaries to managed care alternatives to traditional fee-for-service (FFS),
- Fulfill the ideals of the Medicare+Choice (M+C) program by expanding the number and types of managed care products available to Medicare beneficiaries, and
- Provide a mix of product options under M+C that more closely mirrors the private sector.

To date, CMS has successfully solicited demonstration plans and has awarded contracts to 17 parent companies, comprising 35 demonstration managed care organizations (MCOs) in 23 states. MCOs were selected based on evidence of their basic plan infrastructure, strength of their financial proposal, necessity of offering this project under demonstration conditions (as opposed to through the regular M+C program), special geographic considerations (e.g., offering a PPO plan in an area with limited M+C options), and their ability to begin enrollment quickly (ideally by January 2003). CMS anticipates that up to 11 million Medicare beneficiaries will have access to these new demonstration PPO plans, although only 150,000 individuals are expected to enroll. Fourteen of the new PPO options, whose products will be featured in the new version of the *Medicare and You* handbook and the *Medicare Compare* website, are located in market areas where M+C plans have recently exited. Almost all of these Medicare PPOs are products of MCOs offering existing M+C plans.

Under the demonstration, PPOs will be paid using an increased base payment rate (comparable to the old concept of the Average Adjusted Per Capita Cost [AAPCC] methodology) of the greater of 99 percent of FFS (compared with the standard 95 percent of FFS basis of M+C) or the prevailing M+C rates found in the Medicare County Parts A and B Combined Aged Rate Book. For 2003, in most cases, the prevailing M+C rates represent the greater base payment. In addition, PPO plans have negotiated various risk sharing arrangements based on preset medical loss ratios (MLRs). In most cases, CMS and the individual plans will share (generally at a rate of 50/50) losses and savings when and if the plans exceed (or fall short of) the target MLRs.

In this preliminary report, we describe in detail the PPO plan geographic service areas, premium and benefit packages, payment arrangements, and competing M+C products. The introduction presents a summary and overview of some basic facts we know about the PPO demonstration plans to date, including a series of histograms and statistics that describe key characteristics of the counties that PPO demonstration plans have chosen as their geographic service areas. The remainder of this report presents a detailed summary of the PPO plans and the geographic areas in which they operate, organized by the CMS regional office areas.

Throughout this report, we use the term “parent company” to refer to the firm that is the insurer. The term “organization” or “MCO” refers to a contract between an insurer and CMS to enroll Medicare beneficiaries and provide them with medical services in a defined geographic area. MCOs and the contracts that establish them are identified by “H-numbers” (e.g., H4403). The term “plan” refers to a specific benefit package and premium offered by an MCO in specific counties. Several “plans” may be offered by the same MCO in the same county—for example, a “high option” plan including a drug benefit and a “low option” plan without a drug benefit. Different plans and/or service areas within an MCO are noted by “identifiers” often listed after the H-number. For example, an MCO with two separate plans would be listed as H4403-001 and H4403-002. Some MCOs also offer separate plans open only to specified employer groups. These plans are always noted with an “801” identifier (e.g., H4403-801). In this particular demonstration, 17 parent companies have contracts that establish the 35 PPO MCOs. Some parent companies, such as United HealthCare, have multiple regional organizations offering PPO demonstration plans. For example, United HealthCare sponsors 9 MCOs, Coventry sponsors 4, PacifiCare sponsors 3, Aetna sponsors 3, Health Net sponsors 2, Anthem sponsors 2, and Cariten sponsors 2. The following parent companies have sponsored only one demonstration MCO: Horizon, Tenet, Humana, Order of St. Francis, Advantage, Group Health, Health Now, Managed Health/Health First, University of Pittsburgh Medical Center, and HealthSpring.

Summary and Overview of the PPO Demonstration: Some Basic Information

Overall PPO Demonstration Facts

- The PPO demonstration has contracted with 17 parent companies, offering managed care plans through 35 regional MCOs. PPO plans are located in 9 of the 10 CMS regions (there are no PPO demonstration MCOs in the CMS Denver regional office area). The national map at the end of this section shows the distribution of PPO demonstration plans across the country.

- Currently, the demonstration includes 35 separate MCOs in 23 states. The combined service areas of the MCOs total to 279 counties. However, 73 of these 279 PPO counties have plans open only to selected employer groups; 206 PPO counties have plans that are open to all Medicare beneficiaries except those with an existing diagnosis of end-stage renal disease (ESRD). These 206 counties represent about 6.6 percent of all U.S. counties.
- The majority (about 80 percent) of the 206 counties in the combined demonstration service area are part of a Metropolitan Statistical Area (MSA). Just over 20 percent of these counties are in non-MSA areas.
- The combined Medicare-eligible population of the 206 PPO counties is 10,668,122 individuals, who represent about one-fourth of the Medicare-eligible population (about 40 million in June 2002).
- Considering the 206 “open enrollment” PPO counties, the demonstration has expanded managed care into 27 counties that, to date, have no managed care enrollment in M+C plans (both care coordination plans [CCPs] and private FFS plans). “CCP” is a term used to describe managed care plans that receive a capitated monthly payment in exchange for providing coordinated health care services; it has largely replaced the term “HMO.” Private FFS plans are a relatively new product available in the M+C program that offer an FFS-type benefit package but are reimbursed on a capitation basis. These 27 counties combined have just under one-half million Medicare eligibles.

More on the PPO Demonstration Counties

- The average M+C penetration (both CCP and private FFS enrollments) in the 206 “open enrollment” PPO counties (including those with no managed care penetration) is 12.5 percent.
- Most PPO demonstration counties have less than a 10 percent managed care penetration rate.
- The 206 “open enrollment” PPO demonstration counties vary widely in total population size, ranging from about 3,900 to 9,630,750 individuals (Medicare and non-Medicare population). The majority of counties have fewer than 1,500,000 total individuals.
- The average county risk scores (an estimate of predicted health care costs) for these PPO counties are, in general, evenly distributed around 1.0. However, there appears to be a slight bias toward lower than average risk counties in some areas.

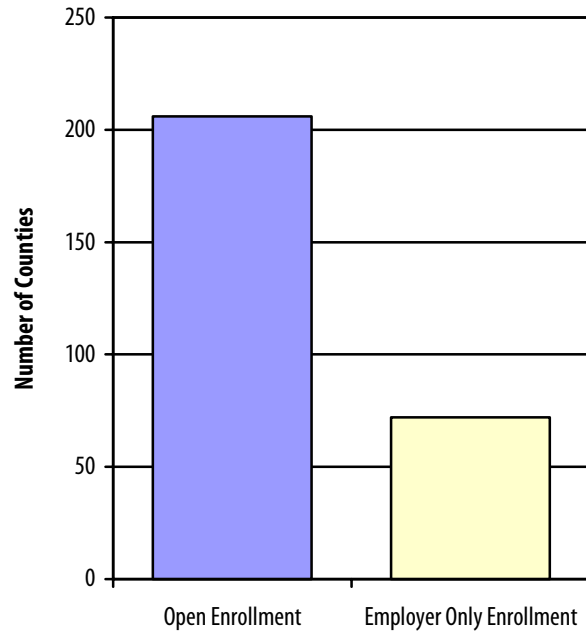
PPO Demonstration Organizations

- Almost all of the insurers participating in the demonstration are organized for-profit; three of them are non-profit.
- All but one organization (Group Health Plan in New York) is a current M+C participating organization. This is likely due to the rapid implementation of the PPO demonstration required for all applicants.

PPO Demonstration Premiums and Benefit Packages

- Almost all of the PPO demonstration MCOs offer some type of drug coverage to Medicare enrollees. Eight of the 35 MCOs offer at least one plan with no drug coverage (there are 11 plans with no drug coverage).
- Twenty-seven MCOs offer 42 plans that include prescription drug coverage. Nine of the 42 plans offer some coverage for brand name drugs, in addition to generics.
- Monthly premiums for the PPO demonstration plans range from \$0 to \$184 per member month. The median PPO demonstration premium is \$85 per month. Two open enrollment PPO plans (both offered by Group Health, Inc.) offer a PPO plan at a \$0 premium.

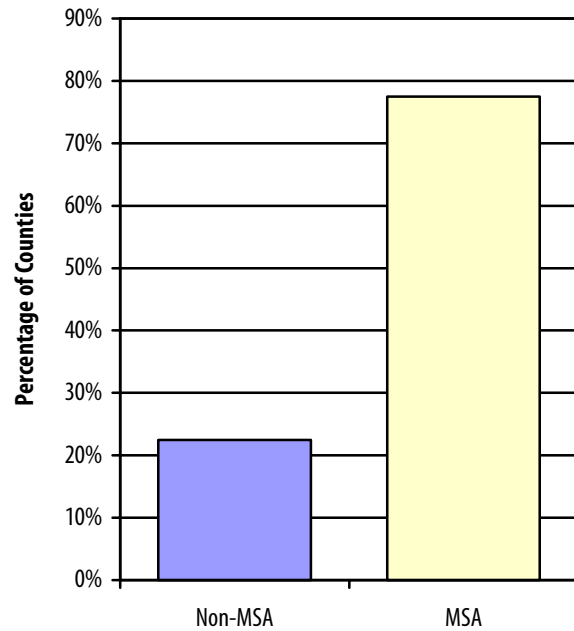
PPO Demonstration Counties: Open Enrollment versus Employer-Only Enrollment



- The PPO demonstration includes “open enrollment” counties—counties in which there are PPO demonstration plans offered to all Medicare beneficiaries except those with ESRD—and “employer only” counties—counties in which the PPO demonstration plans are open only to individuals in specific employer groups that have special arrangements with the MCO.
- In the PPO demonstration, there are 206 “open enrollment” counties and 73 “employer only” counties. Since enrollment in the employer only counties is restricted, these 73 counties are noted separately in the geographic service area maps included in this report. Also, when summarizing the general trends in this report, we refer to the open enrollment counties only (unless otherwise noted).
- In some cases, MCOs offering an open enrollment plan(s) in a county also offer a different employer only plan. PPO counties in which this is the case are counted as “open enrollment” counties.
- One MCO has sponsored the plans in the majority (70 of 73) of employer only counties: Coventry in Illinois, Missouri, Ohio, and West Virginia. Only one other MCO—Aetna in Pennsylvania—has offered a plan in three employer only counties. Many other MCOs offer employer only plans but offer these options in counties where they also offer an open enrollment plan.
- Employer only benefit plans tend to carry lower monthly premiums but do not offer drug benefits.

Source: CMS Health Plan Management System, April 2003.

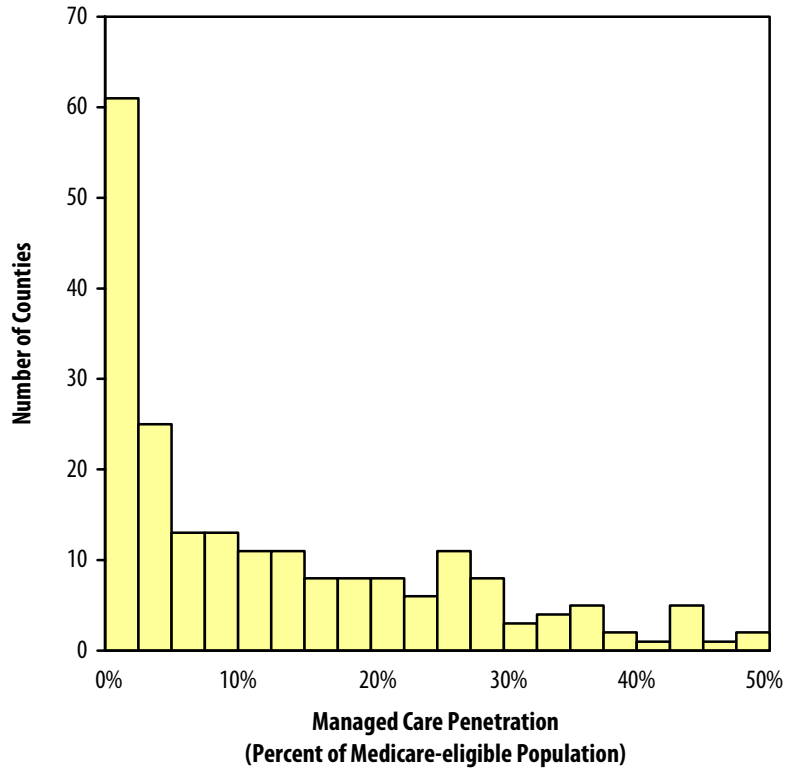
PPO Demonstration Counties: MSA versus Non-MSA



- Almost 80 percent (160) of PPO demonstration plan service area open enrollment counties are located in MSAs.
- However, just over 20 percent (46) of PPO demonstration plan counties are located outside of MSAs.
- Nine of the PPO demonstration plan counties located outside of MSAs are in completely rural areas. These rural counties do not contain at least 2,500 in total population and are not adjacent to metropolitan areas. One of these rural counties is in Illinois, three are in Virginia, and five are in Tennessee.

Source: CMS Health Plan Management System, February 2003. Does not include employer group only PPO counties.

PPO Demonstration Counties: Medicare+Choice Penetration Rate



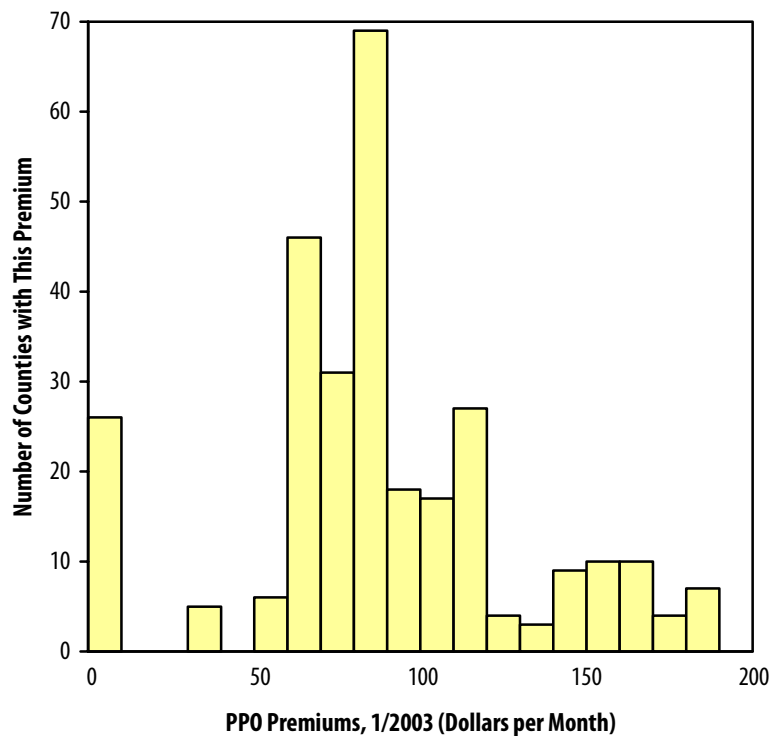
- Nationally, about 12 percent of Medicare beneficiaries are enrolled in an M+C plan.
- However, this histogram shows that the distribution of managed care penetration among PPO counties is heavily skewed to counties with 0.0 percent to 2.5 percent penetration. This indicates that the PPO demonstration plans are serving counties with low or no current M+C enrollment.
- Currently, the PPO demonstration plans are offering options in 27 counties with no Medicare managed care plans.

PENETRATION	
N of cases (counties)	206
Minimum	0.000
Maximum	0.499
Mean	0.125
Standard Dev	0.129

- PPO demonstration plans have included in their service areas a large number of counties that have been previously un-served or under-served by Medicare managed care.
- Counting January 2003 enrollments in M+C plans (both CCPs and private FFS plans), counties with PPO demonstration plans had average managed care penetration of 12.5 percent.

Source: CMS Health Plan Management System, February 2003. Does not include employer group only counties.

PPO Demonstration Plan Monthly Premiums

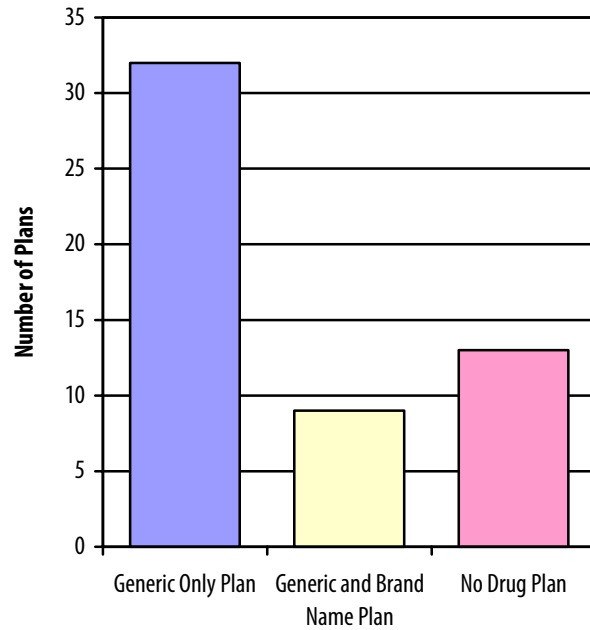


- PPO demonstration plan premiums often vary by specific county within their overall geographic service area. There are 292 different premium county pairs as of January 2003.
- PPO demonstration county plan monthly premiums range from \$0 per month to \$184 per month (for a drug benefit plan offered by UMPC in Pittsburgh, Pennsylvania).
- The majority of PPO monthly premiums cluster just under \$100 per month. The median PPO monthly premium is \$85.00.

	PREMIUM
N of cases (premium-county pairs)	292
Minimum	0.000
Maximum	184.000
Median	85.000
Mean	87.484
Standard Dev	42.386

Source: CMS Health Plan Management System, February 2003. Does not include employer group only plans.

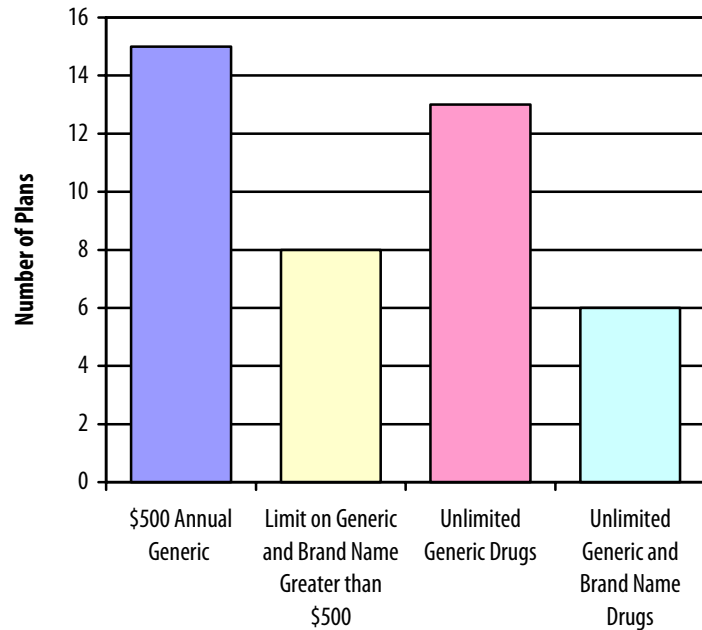
PPO Demonstration Plan Drug Benefits: Generic Only, Generic and Brand Name, and No-Drug Packages



- The majority of plans offered by the PPO MCOs offer some form of prescription drug coverage. Of the 55 benefit plans offered by the PPO MCOs (in open enrollment counties, and not considering benefit plans offered to employer groups), 42 include drug coverage.
- Of the MCOs offering benefit plans with no drug coverage (13), all but three are in counties where the same MCO offers a higher option plan that does include some drug coverage. The exceptions are Cariten (H4404-001) in Tennessee, Health Net (H3806) in Oregon and Washington, and United HealthCare (H3616-001) in Ohio. M+C county payment rates in these areas tend to be at the lower minimum rates of either \$510.38 or \$564.10.
- While coverage limited to generic drugs only is the most predominant benefit plan type—33 of the 42 drug benefit plans—a number of PPO plans (9) do include coverage for brand name drugs. Co-payments for generic and brand name drugs do tend to differ, with slightly higher co-payments required for the choice of brand name drugs.

Source: CMS Health Plan Management System, April 2003.

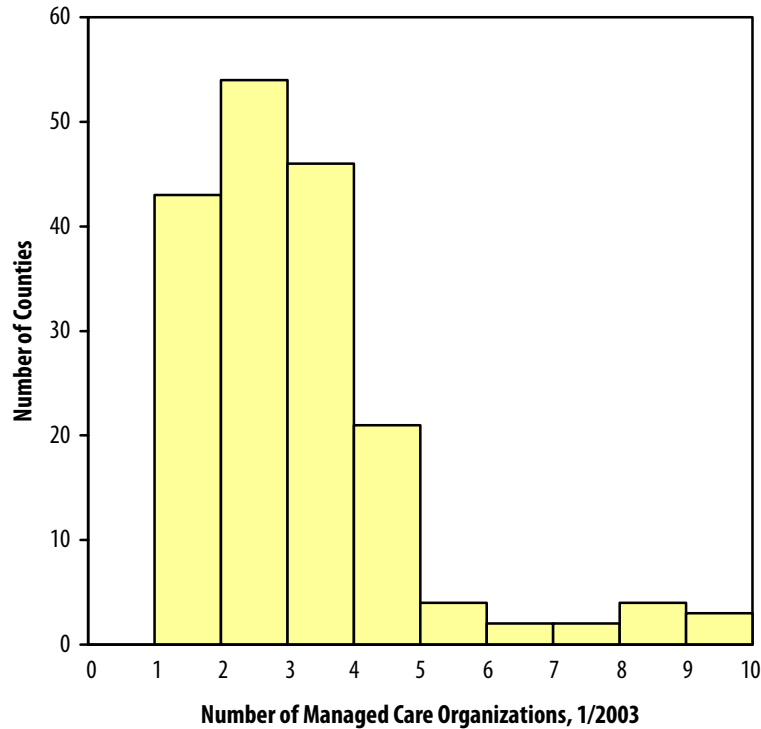
PPO Demonstration Plan Drug Benefits: Annual Dollar Limits on Generic Only and Generic and Brand Name Drug Plans



- Of the 42 PPO plans offered by MCOs that do offer a prescription drug benefit to open enrollment counties, many plans (15) limit coverage to \$500 of generic drugs. United HealthCare, the MCO participating in the demonstration in the most open enrollment counties, uses this level of coverage as it is standard.
- However, the majority of PPO plans offering coverage have a drug package that is higher than \$500 in generic drugs. Eight plans include a benefit of generic and brand name drugs greater than \$500.
- Thirteen plans include a benefit of unlimited generic drugs. Six plans offer a benefit of unlimited generic and brand name drugs. While these 19 plans have no annual cap on the value of the drug benefit, co-payments are required on each prescription.
- Generally, the most generous prescription drug benefits are offered by MCOs offering plans in New York or Florida. M+C county payment rates in some of these areas (such as around New York City) can be as high as \$800 or more.

Source: CMS Health Plan Management System, April 2003.

Medicare+Choice Managed Care Organizations in the PPO Demonstration (Counties with at least one M+C MCO as of January 2003)

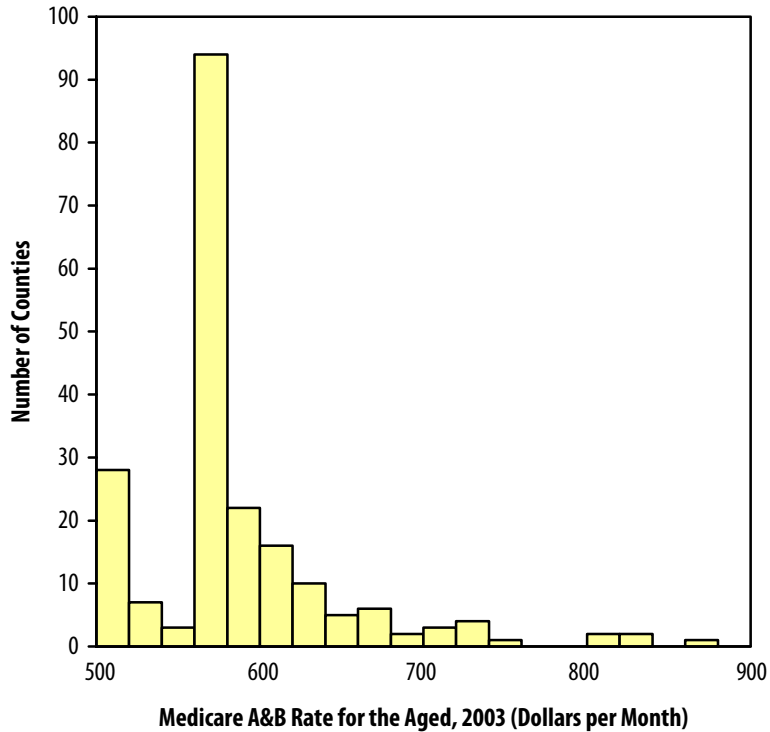


- Among PPO demonstration counties with at least one MCO, PPO demonstration open enrollment plans are located in 179 counties that have at least one M+C MCO present with enrolled elderly persons, as of January 1, 2003. (These figures do not include the PPO plans.)
- Two counties in New York and one county in California have nine active M+C MCOs in them. Two counties in Florida and one county in New York have eight active M+C MCOs in them.
- Forty-three counties in 12 states have only one active M+C MCO in them.
- Ninety-seven of the 179 counties (about 54 percent) with active M+C MCOs in them have two or fewer Medicare MCOs.

Number of Organizations per County	
N of cases (counties)	179
Minimum	1.000
Maximum	9.000
Median	2.000
Mean	2.670
Standard Dev	1.679

Source: CMS Health Plan Management System, February 2003. Does not include employer group only PPO counties.

PPO Demonstration Counties: Medicare County Parts A and B Combined Aged Rate Book 2003

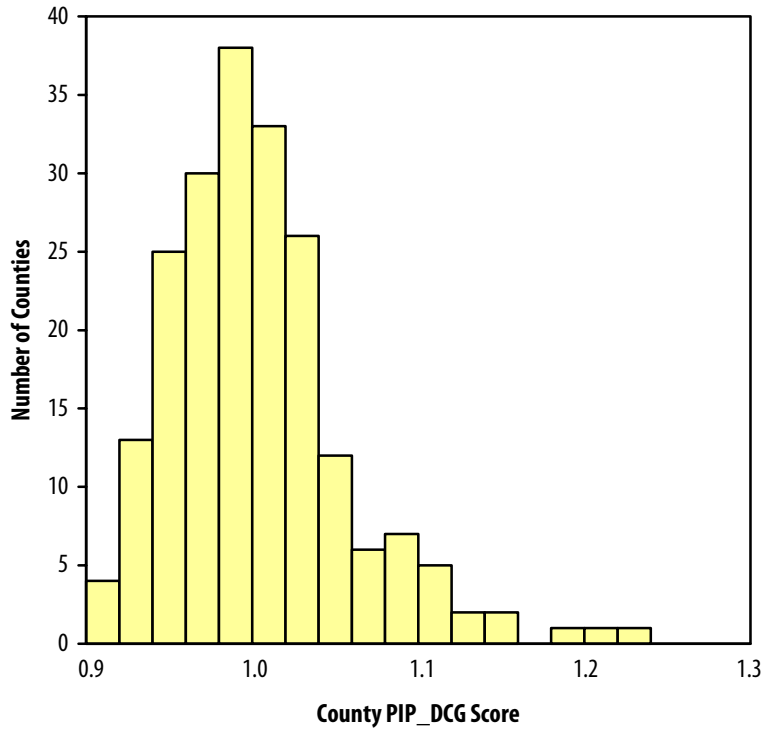


- In 2003, the basis of payment for the majority of the PPO MCOs will be the Medicare County Parts A and B Combined Aged Rate Book.
- PPO demonstration plans are participating in counties with rates that range from \$510.38 (the current floor rate) to \$872.63 per month.
- County payment rates average \$584.98 for the PPO demonstration plan counties.
- The large spike at \$564.10 occurs because this is the urban floor rate.

County Rate	
N of cases (counties)	206
Minimum	510.38
Maximum	872.63
Mean	584.98
Median	564.10
Standard Dev	62.55

Source: CMS Office of the Actuary, 2002. Does not include employer group only PPO counties.

PPO Demonstration Counties: Average County Risk Score

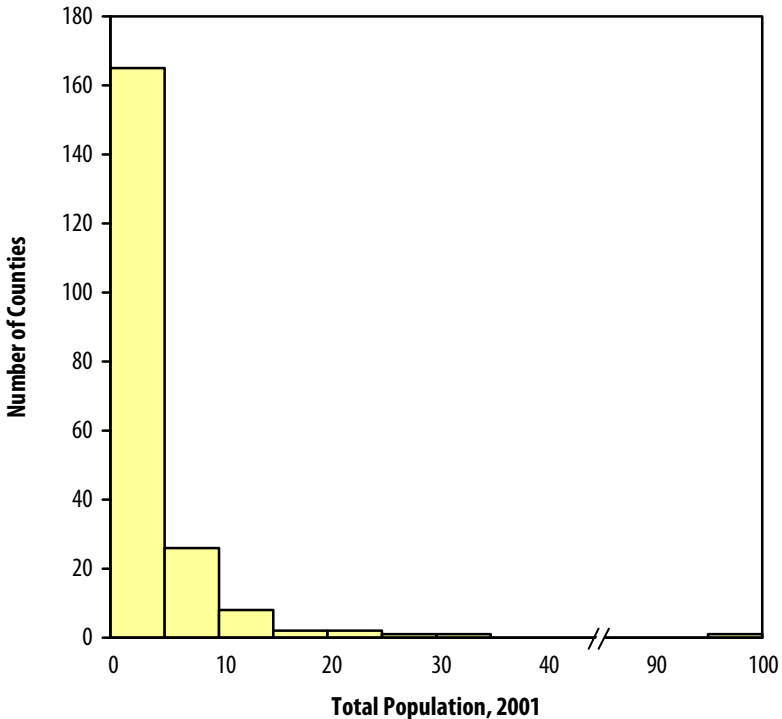


- An approximate estimate of the average financial risk of Medicare beneficiaries in a specific county is the “county PIP-DCG score” (Principal In-Patient Diagnostic Cost Group). This score is currently used in a risk adjustment method for the M+C payment system.
- A PIP-DCG county score of 1.0 reflects predicted financial risk equal to the FFS national average. A score higher than 1.0 indicates a sicker, and more costly, population on average in that county. A score lower than 1.0 indicates a healthier, and less costly, population on average in that county.
- PPO demonstration plans are located in counties that have PIP-DCG scores that range from 0.902 (in Clackamas County, Oregon) to 1.237 (in Trousdale County, Tennessee).

	PIPDCG
N of cases (counties)	206
Minimum	0.902
Maximum	1.237
Mean	1.003
Standard Dev	0.054

Source: CMS Office of the Actuary. Does not include employer group only PPO counties.

PPO Demonstration Counties: Total Population (in 100,000s)

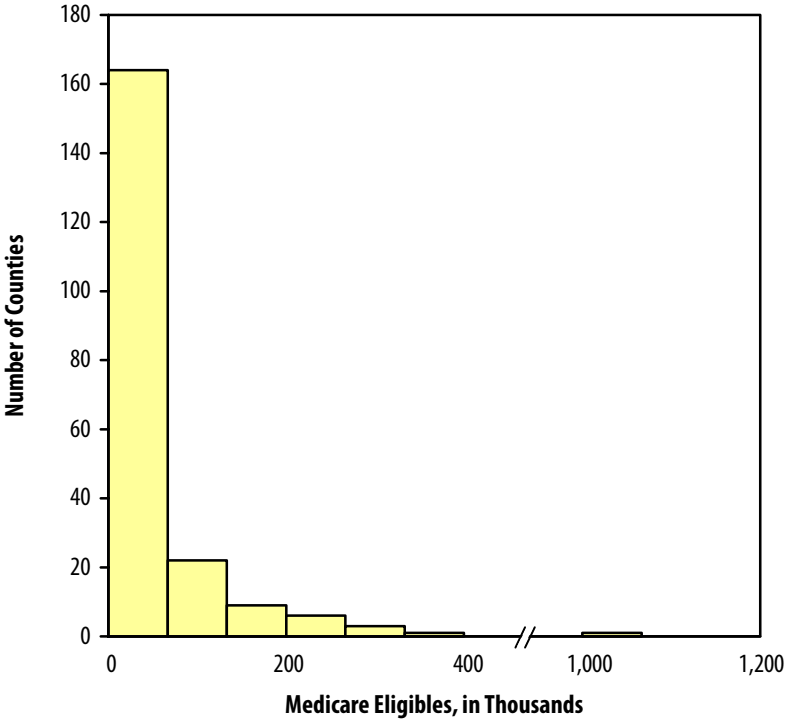


- PPO demonstration plans include in their geographic service area counties with total populations averaging 365,400.
- The total population of the smallest county with a PPO demonstration plan is 3,886 (Norton County, Virginia).
- The total population of the most populous county with a PPO demonstration plan is 9,637,494 (Los Angeles County, California).
- The histogram shows that the distribution of total county population is clustered around smaller counties with less than 1 million individuals in 2001.

POP2001 (100,000s)	
N of cases (counties)	206
Minimum	0.039
Maximum	96.375
Mean	3.654
Standard Dev	7.973

Source: ESRI GIS data from U.S. Census, 2001. Does not include employer group only PPO counties.

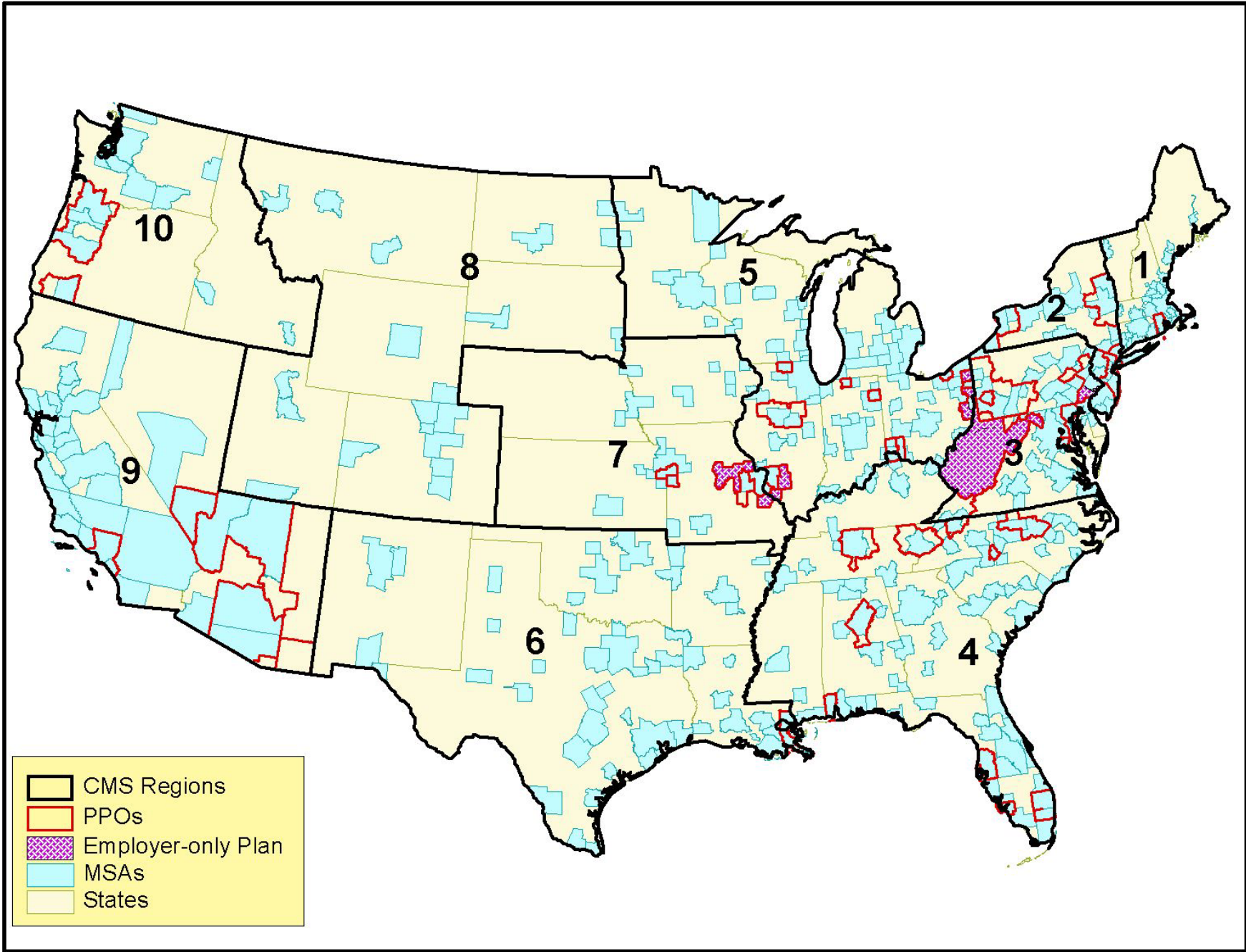
PPO Demonstration Counties: Number of Medicare-Eligible Persons (in 1,000s)



- PPO demonstration MCOs have included in their service areas counties with an average of 51,787 Medicare-eligible beneficiaries.
- PPO demonstration county Medicare-eligible population size ranges from very small counties (1,097 Medicare eligibles in Trousdale, Tennessee) to very large counties (1,051,434 Medicare eligibles in Los Angeles, California).
- Currently, 10,668,122 Medicare-eligible beneficiaries reside in the 206 counties in the PPO demonstration.

Medicare Eligibles (1,000s)	
N of cases (counties)	206
Minimum	1.097
Maximum	1051.434
Mean	51.787
Standard Dev	94.988

Source: CMS Health Plan Management System, February 2003.



CMS Region 1: Boston

In the CMS Boston region (which includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont), the demonstration has one MCO offering a PPO option in Rhode Island: **United HealthCare (H4103)**. The single plan in this area covers the counties of Kent, Providence, and Washington, RI. All three of these counties are included in the Providence-Fall River-Warwick RI-MA MSA. United HealthCare is a for-profit organization.

PPO Demonstration Plans: CMS Region 1

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
Rhode Island				
United HealthCare	H4103-001	For-Profit	Providence-Fall River-Warwick, RI-MA	Kent, RI Providence Washington

1. Overview of Geographic Service Area and Medicare+Choice

The map at the end of this section illustrates the service area for the PPO demonstration MCO within the Boston regional office area. One state is highlighted: Rhode Island. No PPO MCOs are located in the other states within the Boston CMS region.

Four M+C options are available to beneficiaries in the Providence area: **Tufts Associated HMO (H2256)**, **Blue Cross Blue Shield of Massachusetts (H2261)**, **United HealthCare (H4102)**, and **Coordinated Health Partner (H4152)**. All of the organizations offering plans in this area are for-profit. No private FFS plans are offering options in this area.

The following table summarizes the M+C coordinated care options offered to beneficiaries in the MSA service area counties covered by the single demonstration MCO in the CMS Boston region. In the count of M+C plans offered in these MSA areas, we did not include options such as “cost” HMOs or other demonstration options such as PACE, EverCare, and Social HMOs because these options may have limited new enrollments and/or special conditions on enrollment. The M+C penetration rate in this area is high (at 44.1 percent), indicating that this is an area with a strong managed care presence in the marketplace. PIP-DCG scores, a rough estimate of the health care financial risk of beneficiaries in these MSA counties, range both above and below 1.0.

Medicare+Choice Option Summary: CMS Region 1

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit	Number of MCOs Offering a “Zero Premium” Option	Range of 2003 Medicare County Payment Rates ⁵	Range of PIP-DCG County Risk Scores ⁶
Rhode Island										
Providence-Fall River-Warwick RI-MA	4	0	153,190	51,604	44.1%	\$0–\$148	2	2	\$564.10	0.9753–1.0268
Kent, RI	H2256									
Providence	H2261									
Washington	H4102									
	H4152									

¹Does not include cost reimbursed managed care options, demonstration MCOs (such as PACE, EverCare, and Social HMOs), or MCOs sponsored by employers and offering enrollment only to their retirees.

²Medicare eligibles in the counties specifically listed under the MSA. These figures do not reflect the totals for the MSA but rather the counties within this MSA in which a PPO demonstration is offered. Figures from the February 2003 Health Plan Management System.

³Medicare enrollees in the counties specifically listed under the MSA. These figures do not reflect the totals for the MSA but rather the counties within this MSA in which a PPO demonstration is offered. Figures from the February 2003 Health Plan Management System.

⁴Includes premiums from multiple benefit plans offered by a single MCO.

⁵Based on the Medicare County Parts A and B Combined Aged Rate Book.

⁶PIP-DCG is Principal In-Patient Diagnostic Cost Group.

2. PPO Benefit Packages

A single PPO benefit package for the United HealthCare option is offered in this area. The monthly premium is \$65 per month and is within the range of premiums for other M+C plans offered in these counties. A drug benefit is offered as part of this coverage, mirroring the availability of drug coverage offered by the regular M+C plans.

PPO Demonstration Plan Benefits: CMS Region 1

PPO Organization	H-Number and Identifier	Premium per Month	Inpatient Hospital In Network/ (Out of Network)	Outpatient Hospital In Network/ (Out of Network)	Primary Care Physician Co-Pay In Network/ (Out of Network)	Specialty Physician Co-Pay In Network/ (Out of Network)	Prescription Drug Benefit			
							Formulary Status	Pharmacy Co-pay	Mail Order Co-pay	Benefit Maximum
Rhode Island										
United HealthCare	H4103-001	\$65	\$125 for days 1–15 (20% co-insurance)	15% co-insurance (20% co-insurance)	\$10 co-pay (20% co-insurance)	\$10 co-pay (20% co-insurance)	Generic drugs	\$10 for designated pharmacy (31-day supply)	\$30 for mail order pharmacy (90-day supply)	\$500 annual limit on generic drugs

3. Payment Rates

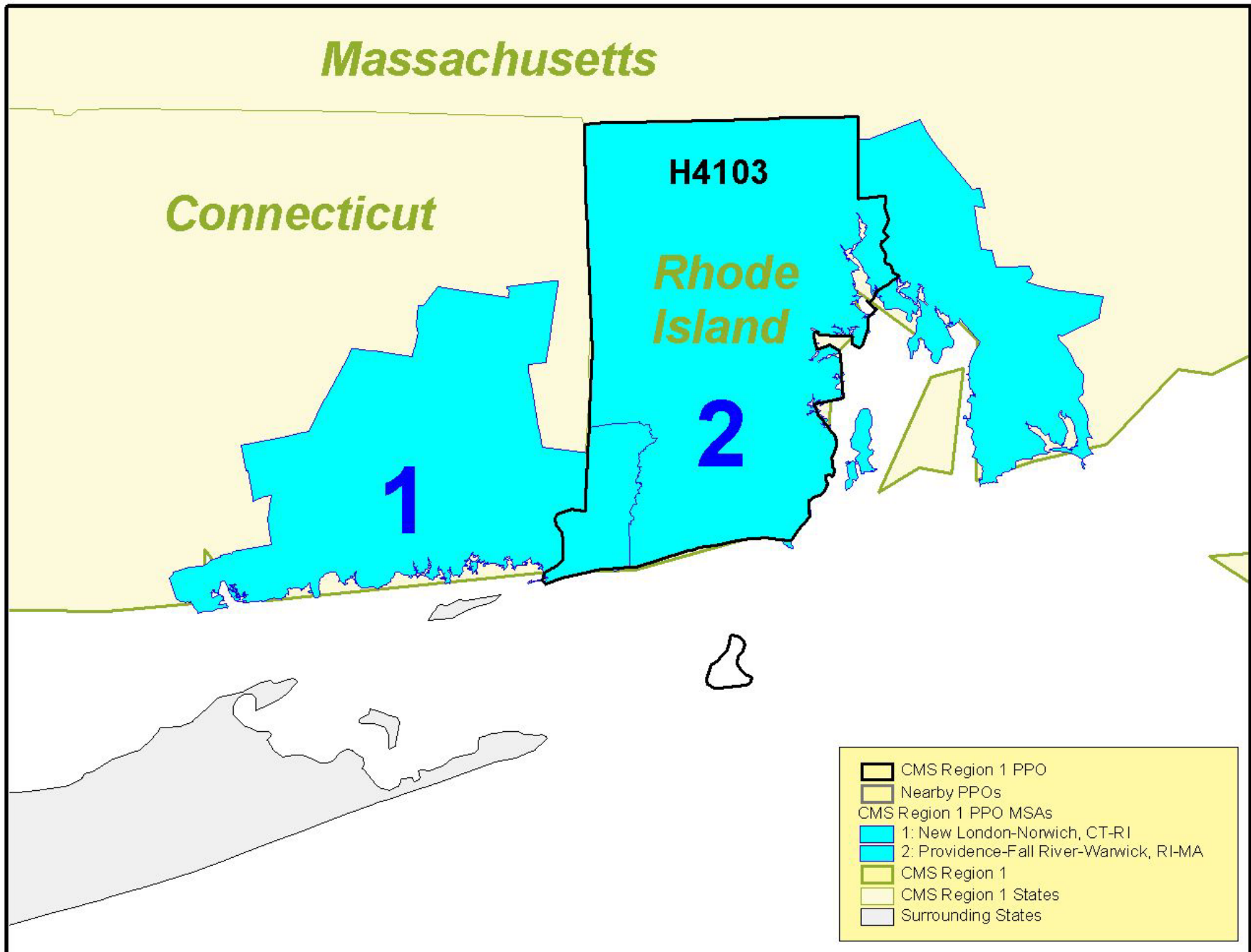
Base payment rates for each PPO MCO vary by the counties included in the plan service area. The table below indicates both the current Medicare County Parts A and B Combined Aged Rate Book amount and the “99 percent” county rate calculated by the CMS Office of the Actuary. Due to some policy requirements of the 2003 Medicare County Aged Rate Book (which is also the base payment amount that applied for all M+C plans competing in these counties), these Medicare county rates are in almost all cases higher than the 99 percent county rates.

Payment Rates Summary: CMS Region 1

PPO Organization	H-Number and Identifier	Counties	Medicare County A+B Aged Rate 2003 ¹	99 Percent County A+B Aged Rate ²
Rhode Island				
United HealthCare	H4103	Kent	\$564.10	\$503.83
		Providence	\$564.10	\$444.12
		Washington	\$564.10	\$530.73

¹Figures from the 2003 Medicare County Parts A and B Combined Aged Rate Book, prepared and published by the CMS Office of the Actuary.

²Figures prepared by the CMS Office of the Actuary.



CMS Region 2: New York

In the CMS New York region (which includes New York, New Jersey, Puerto Rico, and the U.S. Virgin Islands), the PPO demonstration has a number of MCOs operating in both New York and New Jersey. In New York, these demonstration options are **Health Now (H3324)**, located in both eastern and western upstate New York; and **Group Health (H3323)**, **Managed Health/Health First (H3325)**, and **United HealthCare (H3326)**, all located in the New York City area. There are two demonstrations in New Jersey: **Aetna (H3108)** and **Horizon (H3109)**. In New Jersey, the PPO service areas cover the entire state. Many of the organizations operating in these areas are non-profit, although there are also commercial for-profit MCOs.

PPO Demonstration Plans: CMS Region 2

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
Eastern New York State				
Health Now	H3324-001 H3324-003	Non-Profit	Albany-Schenectady-Troy, NY	Albany, NY Montgomery Rensselaer Saratoga Schenectady
			Glens Falls, NY	Warren, NY Washington
	Non-MSA	Columbia, NY Fulton Greene		

PPO Demonstration Plans: CMS Region 2 (continued)

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
Western New York State				
Health Now	H3324-002 H3324-004	Non-Profit	Buffalo-Niagara Falls, NY	Erie, NY Niagara
			Jamestown, NY	Chautauqua, NY
			Rochester, NY	Genesee, NY Orleans
			Non-MSA	Wyoming, NY
New York City Area				
Group Health, Inc.	H3323-001 H3323-002	Non-Profit	New York, NY	Bronx, NY Kings New York Queens Richmond
				Group Health, Inc.
Managed Health/Health First	H3325-001 H3325-002	Non-Profit	New York, NY	Bronx, NY Kings New York Queens Richmond
United HealthCare	H3326-001	For-Profit	New York, NY	Bronx, NY Kings New York Queens Richmond

PPO Demonstration Plans: CMS Region 2 (continued)

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
New Jersey				
Aetna	H3108-001	For-Profit	Bergen-Passaic, NJ	Bergen, NJ Passaic
			New Jersey City, NJ	Hudson, NJ
			Newark, NJ	Essex, NJ Union
Aetna	H3108-002	For-Profit	Middlesex-Somerset-Hunterdon, NJ	Middlesex, NJ
			Monmouth-Ocean, NJ	Monmouth, NJ Ocean
			Trenton, NJ	Mercer, NJ
Aetna (Employer Group)	H3108-801	For-Profit	Bergen-Passaic, NJ	Bergen, NJ Passaic
			Middlesex-Somerset-Hunterdon, NJ	Middlesex, NJ
			Monmouth-Ocean, NJ	Monmouth, NJ Ocean
			New Jersey City, NJ	Hudson, NJ
			Newark, NJ	Essex, NJ Union
			Trenton, NJ	Mercer, NJ

PPO Demonstration Plans: CMS Region 2 (continued)

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
Horizon	H3109-001 H3109-002	For-Profit	Atlantic-Cape May NJ	Atlantic, NJ Cape May
			Bergen-Passaic, NJ	Bergen, NJ Passaic
			Middlesex-Somerset-Hunterdon, NJ	Hunterdon, NJ Middlesex Somerset
			Monmouth-Ocean, NJ	Monmouth, NJ Ocean
			New Jersey City, NJ	Hudson, NJ
			Newark, NJ	Essex, NJ Morris Sussex Union Warren
			Philadelphia, PA-NJ	Burlington, NJ Camden Glouster Salem
			Trenton, NJ	Mercer, NJ
			Vineland-Millville-Bridgeton, NJ	Cumberland, NJ

1. Overview of Geographic Service Area and Medicare+Choice

The map at the end of this section illustrates the service areas for the PPO demonstration MCOs within the New York regional office area. Two states are highlighted: New York and New Jersey. No PPO MCOs are located in either Puerto Rico or the U.S. Virgin Islands.

A wide range of other M+C managed care options are available to beneficiaries in the service areas where these PPOs are located. In the eastern New York State counties surrounding Albany, these include **WellCare of NY (H3361)**, **Health Now/Blue Cross Blue Shield of Westchester (H3384)**, **Capitol District Physicians (H3388)**, **Excellus Health Plan (H3351)**, and **Independent Health Association (H3362)**. Managed care penetration in these areas is between about 14 and 18 percent, indicating an area of moderate interest in Medicare managed care. Drug benefits are generally available in M+C plans, although zero premium plans are uncommon. In western New York State counties surrounding Buffalo and Rochester, the following M+C options are available: **Rochester Area HMO (H3305)**, **Excellus Health Plan (H3351)**, **Independent Health Association (H3362)**, and **Health Now/Blue Cross Blue Shield of Westchester (H3384)**. Medicare managed care penetration in these areas is higher than in eastern New York State, with rates often above 20 percent. Like eastern New York State, drug benefits are generally available in M+C plans, although zero premium plans are uncommon. A few counties in the upstate New York area exhibit PIP-DCG scores well below 1.0, indicating areas of lower predicted health care risk.

In counties surrounding the New York City area, M+C options include those offered by **Oxford Health Plans (H3307)**, **Aetna (H3312)**, **HIP of Greater New York (H3330)**, **Managed Health Incorporated (H3359)**, **WellCare of NY (H3361)**, **Health Net of New York (H3366)**, **Empire Health Choice HMO (H3370)**, **United HealthCare of New York (H3379)**, and **AmeriChoice of New York (H3387)**. Despite this large number of options, M+C penetration in these counties is only about 20 percent. In the New York City area, both drug benefit and zero premium plans are the standard.

Medicare beneficiaries also have a number of M+C options in New Jersey. M+C plans in this state include **Aetna (H3152)**, **Horizon Health of New Jersey (H3154)**, **AmeriHealth (H3156)**, **AmeriChoice of New Jersey (H3164)**, and **Oxford Health Plans (H3107)**. At generally below 5 percent, managed care penetration in New Jersey remains well below that found in New York. Selected counties in New Jersey (most notably Middlesex-Somerset-Hunterdon MSA) exhibit much lower than average PIP-DCG scores.

No private FFS plans are offering options in any of these New York or New Jersey areas.

The following table summarizes the M+C coordinated care plan options offered to beneficiaries in the MSA service area counties covered by the demonstration sites of the CMS New York region. In the count of M+C plans offered in these MSA areas, we did not include options such as “cost” HMOs or other demonstration options such as PACE, EverCare, and Social HMOs because these options may have limited new enrollments and/or special conditions on enrollment.

Medicare+Choice Option Summary: CMS Region 2

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit	Number of MCOs Offering a “Zero Premium” Option	Range of 2003 Medicare County Payment Rates ⁵	Range of PIP-DCG County Risk Scores ⁶
Eastern New York State										
Albany-Schenectady-Troy, NY	3	0	140,721	19,619	13.9%	\$29–\$130	3	0	\$564.10	0.9426 – 1.011
Albany, NY	H3361									
Montgomery	H3384									
Rensselaer	H3388									
Saratoga										
Schenectady										
Glens Falls, NY	1	0	22,250	2,992	13.4%	\$35–\$130	1	0	\$510.38	0.9561–0.9726
Warren, NY	H3384									
Washington										

¹Does not include cost reimbursed managed care options, demonstration MCOs (such as PACE, EverCare, and Social HMOs), or MCOs sponsored by employers and offering enrollment only to their retirees.

²Medicare eligibles in the counties specifically listed under the MSA. These figures do not reflect the totals for the MSA but rather the counties within this MSA in which a PPO demonstration is offered. Figures from the February 2003 Health Plan Management System.

³Medicare enrollees in the counties specifically listed under the MSA. These figures do not reflect the totals for the MSA but rather the counties within this MSA in which a PPO demonstration is offered. Figures from the February 2003 Health Plan Management System.

⁴Includes premiums from multiple benefit plans offered by a single MCO.

⁵Based on the Medicare County Parts A and B Combined Aged Rate Book.

⁶PIP-DCG is Principal In-Patient Diagnostic Cost Group.

Medicare+Choice Option Summary: CMS Region 2 (continued)

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit	Number of MCOs Offering a "Zero Premium" Option	Range of 2003 Medicare County Payment Rates ⁵	Range of PIP-DCG County Risk Scores ⁶
Western New York State										
Buffalo-Niagara Falls, NY	4	0	218,825	61,192	28.8%	\$0–\$130	4	1	\$564.10	0.9675–0.9773
Erie, NY	H3305									
Niagara	H3351									
	H3362									
	H3384									
Jamestown, NY	3	0	26,262	4,590	17.5%	\$0–\$130	3	1	\$510.38	0.9857
Chautauqua, NY	H3351									
	H3362									
	H3384									
Rochester, NY	4	0	16,918	3,920	23.2%	\$0–\$130	4	1	\$564.10	0.9983–1.0083
Genesee, NY	H3305									
Orleans	H3351									
	H3362									
	H3384									
New York City Area										
New York, NY	9	0	1,222,990	235,597	19.3%	\$0–\$125	8	9	\$652.03–\$872.63	0.9592–1.039
Bronx, NY	H3307									
Kings	H3312									
New York	H3330									
Queens	H3359									
Richmond	H3361									
Rockland	H3366									
Westchester	H3370									
	H3379									
	H3387									

Medicare+Choice Option Summary: CMS Region 2 (continued)

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit	Number of MCOs Offering a "Zero Premium" Option	Range of 2003 Medicare County Payment Rates ⁵	Range of PIP-DCG County Risk Scores ⁶
New Jersey										
Atlantic-Cape May NJ	3	0	63,047	1,337	2.1%	\$52–\$85	1	0	\$605.35– \$616.35	1.0128– 1.0171
Atlantic, NJ	H3152									
Cape May	H3154									
	H3156									
Bergen-Passaic, NJ	3	0	209,996	9,972	4.7%	\$52–\$75	1	0	\$575.66– 599.85	0.9479– 1.0084
Bergen, NJ	H3152									
Passaic	H3154									
	H3164									
Jersey City, NJ	4	0	73,325	4,088	5.6%	\$0–\$75	0	2	\$613.82	1.0473
Hudson, NJ	H3107									
	H3152									
	H3154									
	H3164									
Middlesex-Somerset-Hunterdon, NJ	2	0	149,491	1,596	1.1%	\$52	0	0	\$564.10– 598.09	0.931–0.9507
Hunterdon, NJ	H3152									
Middlesex	H3154									
Somerset										
Monmouth-Ocean, NJ	3	0	215,728	5,027	2.3%	\$52–\$85	0	0	\$527.29– \$580.84	0.9876– 0.9978
Monmouth, NJ	H3152									
Ocean	H3154									
	H3156									

Medicare+Choice Option Summary: CMS Region 2 (continued)

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit	Number of MCOs Offering a "Zero Premium" Option	Range of 2003 Medicare County Payment Rates ⁵	Range of PIP-DCG County Risk Scores ⁶
Newark, NJ	3	0	279,837	9,129	3.3%	\$0–\$75	0	1	\$564.10–\$620.12	0.9382–1.0449
Essex, NJ	H3152									
Morris	H3154									
Sussex	H3164									
Union										
Warren										
Philadelphia, PA-NJ	3	0	181,603	10,731	5.9%	\$52–\$125	1	0	\$592.17–\$635.97	0.959–1.0254
Burlington, NJ	H3152									
Camden	H3154									
Glouster	H3156									
Salem										
Trenton, NJ	3	0	53,687	665	1.2%	\$52–\$85	0	0	\$632.65	1.1049
Mercer, NJ	H3152									
	H3154									
	H3156									
Vineland-Millville-Bridgeton, NJ	3	0	23,201	396	1.7%	\$52–\$85	0	0	\$584.27	1.0239
Cumberland, NJ	H3152									
	H3154									
	H3156									

2. PPO Benefit Packages

In all areas (New York and New Jersey) of this region, PPO MCOs often offer different benefit packages to different county service areas. Here, PPO MCOs also include a “low” and “high” benefit option within the same service area. Drug benefits are generally offered as part of the “high” option package. Premiums for the PPO MCOs are generally higher than for the regular M+C MCOs.

PPO Demonstration Plan Benefits: CMS Region 2

PPO Organization	H-Number and Identifier	Premium per Month	Inpatient Hospital In Network/ (Out of Network)	Outpatient Hospital In Network/ (Out of Network)	Primary Care Physician Co-Pay In Network/ (Out of Network)	Specialty Physician Co-Pay In Network/ (Out of Network)	Prescription Drug Benefit			
							Formulary Status	Pharmacy Co-pay	Mail Order Co-pay	Benefit Maximum
Eastern New York State										
Health Now	H3324-001	\$86.82	\$100 co-pay (20% co-insurance)	\$20 co-pay (20% co-insurance)	\$15 co-pay (20% co-insurance)	\$20 co-pay (20% co-insurance)	No drug benefit			
Health Now	H3324-003	\$166.49	\$0 co-pay (20% co-insurance)	\$15 co-pay (20% co-insurance)	\$10 co-pay (20% co-insurance)	\$15 co-pay (20% co-insurance)	Generic drugs and brand name drugs	Generic drugs: \$7 for designated pharmacy (30-day supply) Brand name drugs: \$25 co-pay	Generic drugs: \$7 for mail order pharmacy (30-day supply) Brand name drugs: \$25 co-pay	
Western New York State										
Health Now	H3324-002	\$108.62	\$100 co-pay (20% co-insurance)	\$20 co-pay (20% co-insurance)	\$15 co-pay (20% co-insurance)	\$20 co-pay (20% co-insurance)	No drug benefit			
Health Now	H3324-004	\$182.88	\$0 co-pay (20% co-insurance)	\$15 co-pay (20% co-insurance)	\$10 co-pay (20% co-insurance)	\$15 co-pay (20% co-insurance)	Generic drugs and brand name drugs	Generic drugs: \$7 for designated pharmacy (30-day supply) Brand name drugs: \$25 co-pay	Generic drugs: \$7 for mail order pharmacy (30-day supply) Brand name drugs: \$25 co-pay	

PPO Demonstration Plan Benefits: CMS Region 2 (continued)

PPO Organization	H-Number and Identifier	Premium per Month	Inpatient Hospital In Network/ (Out of Network)	Outpatient Hospital In Network/ (Out of Network)	Primary Care Physician Co-Pay In Network/ (Out of Network)	Specialty Physician Co-Pay In Network/ (Out of Network)	Prescription Drug Benefit			
							Formulary Status	Pharmacy Co-pay	Mail Order Co-pay	Benefit Maximum
New York City Area										
Group Health, Inc.	H3323-001	\$0	\$0 (20% co-insurance plus \$150 annual out of network co-pay)	\$0 (20% co-insurance plus \$150 annual out of network co-pay)	\$10 co-pay (20% co-insurance plus \$150 annual out of network co-pay)	\$20 co-pay (20% co-insurance plus \$150 annual out of network co-pay)	No drug benefit			
Group Health, Inc.	H3323-002	\$0	\$250 per stay (20% co-insurance plus \$150 annual out of network co-pay)	\$50 per visit (20% co-insurance plus \$150 annual out of network co-pay)	\$10 co-pay (20% co-insurance plus \$150 annual out of network co-pay)	\$20 co-pay (20% co-insurance plus \$150 annual out of network co-pay)	Generic drugs	Generic drugs: \$15 (30-day supply)		
Group Health, Inc.	H3323-003	\$100	\$0 (20% co-insurance plus \$150 annual out of network co-pay)	\$0 (20% co-insurance plus \$150 annual out of network co-pay)	\$10 co-pay (20% co-insurance plus \$150 annual out of network co-pay)	\$20 co-pay (20% co-insurance plus \$150 annual out of network co-pay)	No drug benefit			
Group Health, Inc.	H3323-004	\$100	\$250 per stay (20% co-insurance plus \$150 annual out of network co-pay)	\$50 per visit (20% co-insurance plus \$150 annual out of network co-pay)	\$10 co-pay (20% co-insurance plus \$150 annual out of network co-pay)	\$20 co-pay (20% co-insurance plus \$150 annual out of network co-pay)	Generic drugs	Generic drugs: \$15 (30-day supply)		
Managed Health/Health First	H3325-001	\$32	\$25 co-pay per stay (Cost sharing same as original Medicare)	\$0 co-pay (Cost sharing same as original Medicare)	\$0 co-pay (Greater of FFS Medicare or \$25)	\$25 co-pay (Greater of FFS Medicare or \$25)	No drug benefit			

PPO Demonstration Plan Benefits: CMS Region 2 (continued)

PPO Organization	H-Number and Identifier	Premium per Month	Inpatient Hospital In Network/ (Out of Network)	Outpatient Hospital In Network/ (Out of Network)	Primary Care Physician Co-Pay In Network/ (Out of Network)	Specialty Physician Co-Pay In Network/ (Out of Network)	Prescription Drug Benefit			
							Formulary Status	Pharmacy Co-pay	Mail Order Co-pay	Benefit Maximum
Managed Health/Health First	H3325-002	\$103	\$25 co-pay per stay (Cost sharing same as original Medicare)	\$0 co-pay (Cost sharing same as original Medicare)	\$0 co-pay (Greater of FFS Medicare or \$25)	\$25 co-pay (Greater of FFS Medicare or \$25)	Generic drugs and brand name drugs	Generic drugs: \$5 co-pay Brand name drugs: \$25 co-pay	Generic drugs: \$5 co-pay Brand name drugs: \$25 co-pay	Unlimited generic drugs \$600 Annual limit for brand name drugs, up to \$50 per month
United HealthCare	H3326-001	\$55	\$75 per day co-pay for days 1–24 (20% co-insurance)	20% co-insurance (20% co-insurance)	\$5 co-pay (20% co-insurance)	\$15 co-pay (20% co-insurance)	Generic drugs	Generic drugs: \$9 for designated pharmacy (31-day supply)	Generic drugs: \$27 for mail order pharmacy (90-day supply)	Unlimited generic drugs
New Jersey										
Aetna	H3108-001	\$95	\$350 co-pay (20% co-insurance)	0% co-insurance (20% co-insurance)	\$10 co-pay (20% co-insurance)	\$10 co-pay (20% co-insurance)	Formulary generic drugs	Generic drugs: \$15 for designated pharmacy (30-day supply)	Generic drugs: \$30 for mail order pharmacy (90-day supply)	Unlimited formulary generic drugs
Aetna	H3108-002	\$125	\$350 co-pay (20% co-insurance)	0% co-insurance (20% co-insurance)	\$10–\$20 co-pay (20% co-insurance)	\$20 co-pay if primary care provider not selected (20% co-insurance)	Formulary generic drugs			Unlimited formulary generic drugs
Aetna (Employer Group)	H3108-801	\$0	\$200/day for days 1–5 (20% co-insurance)	\$150 co-pay (20% co-insurance)	\$25–\$40 co-pay (20% co-insurance)	\$35 co-pay (20% co-insurance)	No drug benefit			

PPO Demonstration Plan Benefits: CMS Region 2 (continued)

PPO Organization	H-Number and Identifier	Premium per Month	Inpatient Hospital In Network/ (Out of Network)	Outpatient Hospital In Network/ (Out of Network)	Primary Care Physician Co-Pay In Network/ (Out of Network)	Specialty Physician Co-Pay In Network/ (Out of Network)	Prescription Drug Benefit			
							Formulary Status	Pharmacy Co-pay	Mail Order Co-pay	Benefit Maximum
Horizon	H3109-001	\$84.60	\$750 annual deductible (\$1000 annual deductible plus 20% co-insurance. \$2000 annual maximum)	\$0 co-pay (\$1000 annual deductible plus 20% co-insurance. \$2000 annual maximum)	\$15 co-pay (\$1000 annual deductible plus 20% co-insurance. \$2000 annual maximum)	\$20 co-pay (\$1000 annual deductible plus 20% co-insurance. \$2000 annual maximum)	No drug benefit			
Horizon	H3109-02	\$115.70	\$750 annual deductible (\$2000 annual deductible plus 20% co-insurance. \$3000 annual maximum)	\$0 co-pay (\$2000 annual deductible plus 20% co-insurance. \$3000 annual maximum)	\$20 co-pay (\$2000 annual deductible plus 20% co-insurance. \$3000 annual maximum)	\$30 co-pay (\$2000 annual deductible plus 20% co-insurance. \$3000 annual maximum)	Formulary for both generic and brand name drugs	Different co-pays depending on drug	Different co-pays depending on drug	\$100 annual deductible. \$600 annual limit

3. Payment Rates

Base payment rates for each demonstration vary by the counties included in the plan service area. The table below indicates both the current Medicare County Parts A and B Combined Aged Rate Book amount and the “99 percent” county rate calculated by the CMS Office of the Actuary. Due to some policy requirements of the 2003 Medicare County Rate Book (which is also the base payment amount that applied for all M+C plans competing in these counties), these Medicare county rates are in almost all cases higher than the 99 percent county rates.

Payment Rates Summary: CMS Region 2

PPO Organization	H-Number and Identifier	Counties	Medicare County A+B Aged Rate 2003 ¹	99 Percent County A+B Aged Rate ²
Eastern New York State				
Health Now	H3324	Albany, NY	\$564.10	\$435.56
		Columbia	\$510.38	\$442.22
		Fulton	\$510.38	\$424.81
		Greene	\$510.38	\$440.48
		Montgomery	\$564.10	\$420.38
		Rensselaer	\$564.10	\$463.03
		Saratoga	\$564.10	\$432.78
		Schenectady	\$564.10	\$441.34
		Warren	\$510.38	\$425.83
Washington	\$510.38	\$446.12		
Western New York State				
Health Now	H3324	Erie, NY	\$564.10	\$430.71
		Chautauqua	\$510.38	\$407.63
		Genesee	\$564.10	\$446.19
		Niagara	\$564.10	\$475.38
		Orleans	\$564.10	\$437.49
		Wyoming	\$510.38	\$423.85

¹Figures from the 2003 Medicare County Parts A and B Combined Aged Rate Book, prepared and published by the CMS Office of the Actuary.

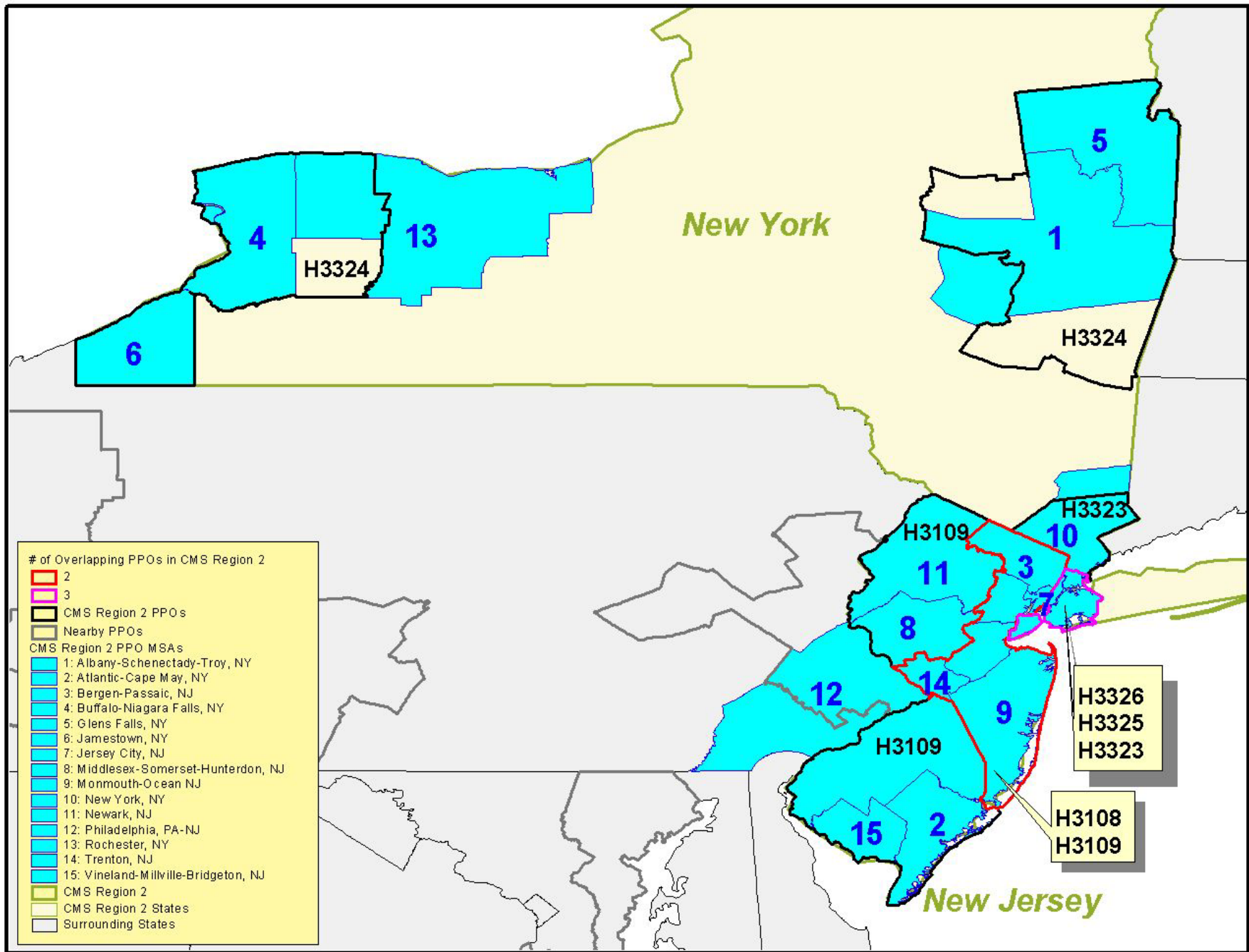
²Figures prepared by the CMS Office of the Actuary.

Payment Rates Summary: CMS Region 2 (continued)

PPO Organization	H-Number and Identifier	Counties	Medicare County A+B Aged Rate 2003 ¹	99 Percent County A+B Aged Rate ²
New York City Area				
Group Health, Inc.	H3323	Bronx, NY	\$828.15	\$653.99
		Kings	\$802.16	\$673.90
		New York	\$810.96	\$653.42
		Queens	\$749.24	\$651.90
		Richmond	\$872.63	\$750.31
		Rockland	\$675.38	\$678.97
		Westchester	\$652.03	\$655.71
Managed Health/Health First	H3325	Bronx, NY	\$828.15	\$653.99
		Kings	\$802.16	\$673.90
		New York	\$810.96	\$653.42
		Queens	\$749.24	\$651.90
		Richmond	\$872.63	\$750.31
United HealthCare	H3326	Bronx, NY	\$828.15	\$653.99
		Kings	\$802.16	\$673.90
		New York	\$810.96	\$653.42
		Queens	\$749.24	\$651.90
		Richmond	\$872.63	\$750.31

Payment Rates Summary: CMS Region 2 (continued)

PPO Organization	H-Number and Identifier	Counties	Medicare County A+B Aged Rate 2003 ¹	99 Percent County A+B Aged Rate ²
New Jersey				
Aetna	H3108	Bergen, NJ	\$599.85	\$641.10
		Essex	\$620.12	\$674.98
		Hudson	\$613.82	\$656.75
		Mercer	\$632.65	\$660.54
		Middlesex	\$598.09	\$637.40
		Monmouth	\$580.84	\$614.04
		Ocean	\$572.29	\$707.01
		Passaic	\$575.66	\$601.78
		Union	\$584.07	\$606.71
Horizon	H3109	Atlantic	\$605.35	\$584.89
		Bergen	\$599.85	\$641.10
		Burlington	\$592.17	\$564.47
		Camden	\$635.97	\$628.25
		Cape May	\$616.19	\$634.79
		Cumberland	\$584.27	\$568.28
		Essex	\$620.12	\$674.98
		Gloucester	\$633.95	\$608.63
		Hudson	\$613.82	\$656.75
		Hunterdon	\$564.10	\$540.91
		Mercer	\$632.65	\$660.54
		Middlesex	\$598.09	\$637.40
		Monmouth	\$580.84	\$614.04
		Morris	\$564.10	\$571.68
		Ocean	\$572.29	\$707.01
		Passaic	\$575.66	\$601.78
		Salem	\$626.48	\$578.95
		Somerset	\$564.10	\$538.06
		Sussex	\$564.10	\$561.10
		Union	\$584.07	\$606.71
Warren	\$609.74	\$669.86		



CMS Region 3: Philadelphia

In the CMS Philadelphia region (which includes the District of Columbia, Delaware, Maryland, Pennsylvania, and Virginia), the PPO demonstration has a number of MCOs operating in three states. In Maryland, **Aetna (H2110)** is offering a plan. In Pennsylvania, MCOs include **Aetna (H3914)**, **Coventry (H3915)**, and **UMPC (H3913)**. Virginia has one PPO demonstration MCO: **Cariten (H4907)**. All of the organizations operating in these areas are commercial for-profit. In this region, some MCOs (Aetna and UMPC) offer employer group only plans. West Virginia is also part of this CMS region. However, because the PPO plan offerings in West Virginia overlap significantly with those in Ohio, detailed information pertaining to PPO plans in West Virginia is discussed in the Regions 5 and 7 section.

PPO Demonstration Plans: CMS Region 3

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
Maryland				
Aetna Health Inc. of Maryland (Employer Group)	H2110-001	For-Profit	Baltimore, MD	Anne Arundel Baltimore Baltimore City Harford
	H2110-801		Washington, DC-MD-VA-WV	Calvert Charles
Eastern Pennsylvania — Philadelphia				
Aetna Health Inc. of PA	H3914-001	For-Profit	Allentown-Bethlehem-Easton, PA	Lehigh Northampton
			Non-MSA	Monroe Schuylkill
Aetna Health Inc. of PA	H3914-002	For-Profit	Philadelphia, PA	Bucks Montgomery

PPO Demonstration Plans: CMS Region 3 (continued)

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
Aetna Health Inc. of PA (Employer Group)	H3914-801	For-Profit	Allentown-Bethlehem-Easton, PA	Lehigh Northampton
			Philadelphia, PA	Bucks Chester Delaware Montgomery Philadelphia
			Non-MSA	Monroe Schuylkill
Western Pennsylvania — Pittsburgh				
Coventry Health and Life Insurance Company (Employer Group)	H3915-001	For-Profit	Pittsburgh, PA	Allegheny
	H3915-801			
UMPC Health Benefits, Inc.	H3913-001	For-Profit	Pittsburgh, PA	Allegheny Beaver Butler Fayette Washington Westmoreland
			Johnstown, PA	Cambria
			Non-MSA	Armstrong Indiana Lawrence
UMPC Health Benefits, Inc.	H3913-002	For-Profit	Pittsburgh, PA	Allegheny Beaver Butler Fayette Washington Westmoreland
			Johnstown, PA	Cambria
			Non-MSA	Armstrong Indiana Lawrence

PPO Demonstration Plans: CMS Region 3 (continued)

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
UMPC Health Benefits, Inc.	H3913-003	For-Profit	Altoona, PA	Blair
			Johnstown, PA	Somerset
			Non-MSA	Bedford Crawford Huntingdon Venango
UMPC Health Benefits, Inc.	H3913-004	For-Profit	Altoona, PA	Blair
			Johnstown, PA	Somerset
			Non-MSA	Bedford Crawford Huntingdon Venango
UMPC Health Benefits, Inc.	H3913-005	For-Profit	Sharon, PA	Mercer
UMPC Health Benefits, Inc.	H3913-006	For-Profit	Sharon, PA	Mercer
UMPC Health Benefits, Inc. (Employer Group)	H3913-801	For-Profit	Pittsburgh, PA	Allegheny Beaver Butler Fayette Washington Westmoreland
			Altoona, PA	Blair
			Johnstown, PA	Cambria Somerset
			Sharon, PA	Mercer
			Non-MSA	Armstrong Bedford Crawford Huntingdon Indiana Lawrence Venango

PPO Demonstration Plans: CMS Region 3 (continued)

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
Virginia				
Cariten Insurance Company	H4907-001	For-Profit	Johnson City-Kingsport-Bristol, TN,VA	Bristol City Scott Washington
			Non-MSA	Buchanan Dickenson Lee Norton City Russell Smyth Tazewell Wise

1. Overview of Geographic Service Area and Medicare+Choice

The map at the end of this section illustrates the service areas for the PPO demonstration MCOs within the Philadelphia regional office area. Three states are highlighted: Maryland, Pennsylvania, and Virginia. No PPO MCOs are located in either the District of Columbia or Delaware.

A wide range of other managed care options are available to beneficiaries in the service areas where these PPOs are located. In Maryland, there is one M+C MCO: **ElderHealth Maryland HMO (H2108)**. Medicare managed care penetration in these Maryland counties is low at 0.8 percent. PIP-DCG scores range widely from above 1.0 (indicating higher than average predicted health risk) in Baltimore City to significantly lower than average health risk in Anne Arundel and Harford counties. The one M+C MCO offered in this area does not include prescription drugs.

In the demonstration counties of Pennsylvania, a number of MCOs participate in M+C. In eastern Pennsylvania (Philadelphia), these MCOs are **United HealthCare (H3912)**, **Aetna (H3931)**, **Keystone Health Plan East (H3952)**, **Keystone Health Plan Central (H3962)**, **AmeriChoice of Pennsylvania (H3972)**, **HealthNet (H3949)**,

and **Health Partners (H3964)**. Medicare managed care penetration in this area is moderate at around 10 percent. Average health risk (as measured by PIP-DCG scores) is low and below 1.0 for all the counties in this demonstration. In western Pennsylvania (Pittsburgh), the following MCOs participate in M+C: **University of Pittsburgh Medical Center (H3907)**, **HighMark (H3916)** pending approval from CMS, **Aetna (H3931)**, **Keystone Health Plan West (H3957)**, **Coventry (H3959)**, and **Geisinger Health Plan (H3954)**. Medicare managed care penetration in western Pennsylvania is much higher—generally over 20 percent—than in eastern Pennsylvania. In the Pittsburgh MSA, M+C penetration is near 40 percent. PIP-DCG scores are also higher than in eastern Pennsylvania, generally ranging near or over 1.0, indicating that this is an area of higher than average health risk among the Medicare population. In Pennsylvania, some MCOs offer plans with a prescription drug benefit, but zero premium plans are uncommon.

One MCO is offering a plan in a demonstration MSA county in Virginia: **John Deere (H4456)**. Medicare managed care penetration in these areas is near zero, and health risk as measured by PIP-DCG scores is about 1.0.

The following table summarizes the M+C coordinated care plan options offered to beneficiaries in the MSA service area counties covered by the demonstration sites of the CMS Philadelphia region. In the count of M+C plans offered in these MSA areas, we did not include options such as “cost” HMOs or other demonstration options such as PACE, EverCare, and Social HMOs because these options may have limited new enrollments and/or special conditions on enrollment.

Medicare+Choice Option Summary: CMS Region 3

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit	Number of MCOs Offering a "Zero Premium" Option	Range of 2003 Medicare County Payment Rates ⁵	Range of PIP-DCG County Risk Scores ⁶
Maryland										
Baltimore, MD	1	0	306,843	2,357	0.8%	\$0	0	1	\$608.19– \$719.51	0.9633– 1.0914
Anne Arundel Baltimore Baltimore City Harford	H2108									
Washington, DC-MD-VA-WV	0	0	19,457	0	0.0%		0	0	\$564.10– \$642.49	0.9814– 0.9931
Calvert Charles										
Eastern Pennsylvania — Philadelphia										
Allentown-Bethlehem-Easton, PA	2	1	102,528	7,773	7.6%	\$0–\$167	1	1	\$564.10– \$589.46	0.9695– 0.9989
Lehigh Northampton	H3931 H3962	H5006								
Philadelphia, PA	6	1	601,666	162,585	27.02%	\$0–\$183	1	3	\$587.88– \$800.87	0.9759– 1.1178
Bucks Chester Delaware Montgomery Philadelphia	H3912 H3931 H3949 H3952 H3964 H3972	H5006								

¹Does not include cost reimbursed managed care options, demonstration MCOs (such as PACE, EverCare, and Social HMOs), or MCOs sponsored by employers and offering enrollment only to their retirees.

²Medicare eligibles in the counties specifically listed under the MSA. These figures do not reflect the totals for the MSA but rather the counties within this MSA in which a PPO demonstration is offered. Figures from the February 2003 Health Plan Management System.

³Medicare enrollees in the counties specifically listed under the MSA. These figures do not reflect the totals for the MSA but rather the counties within this MSA in which a PPO demonstration is offered. Figures from the February 2003 Health Plan Management System.

⁴Includes premiums from multiple benefit plans offered by a single MCO.

⁵Based on the Medicare County Parts A and B Combined Aged Rate Book.

⁶PIP-DCG is Principal In-Patient Diagnostic Cost Group.

⁷Pending approval from CMS.

Medicare+Choice Option Summary: CMS Region 3 (continued)

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit	Number of MCOs Offering a "Zero Premium" Option	Range of 2003 Medicare County Payment Rates ⁵	Range of PIP-DCG County Risk Scores ⁶
Western Pennsylvania — Pittsburgh										
Altoona, PA	6	1	25,528	7,375	28.9%	\$29–\$132	2	0	\$530.06	0.9937
Blair	H3907 H3916 ⁷ H3931 H3957 H3959 H3954	H5006								
Johnstown, PA	6	1	49,351	8,790	17.8%	\$29–\$132	2	0	\$553.34– \$595.08	1.0051– 1.0091
Cambria Somerset	H3907 H3916 ⁷ H3931 H3957 H3959 H3954	H5006								
Pittsburgh, PA	5	1	456,591	171,844	37.6%	\$0–\$127	2	1	\$581.17– \$663.40	0.9921– 1.0283
Allegheny Beaver Butler Fayette Washington Westmoreland	H3907 H3916 ⁷ H3931 H3957 H3959	H5006								
Sharon, PA	5	1	27,763	5,105	20.6%	\$29–\$136	2	0	\$548.97	0.9948
Mercer	H3907 H3916 ⁷ H3931 H3957 H3959	H5006								

Medicare+Choice Option Summary: CMS Region 3 (continued)

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit	Number of MCOs Offering a "Zero Premium" Option	Range of 2003 Medicare County Payment Rates ⁵	Range of PIP-DCG County Risk Scores ⁶
Virginia										
Johnson City-Kingsport-Bristol, TN,VA	1	2	18,894	0	0.0%	\$25–\$88	1	0	\$564.10	0.9961–1.036
Bristol City Scott Washington	H4456	H5006 H0540 ⁷								

2. PPO Benefit Packages

In this region, PPO MCOs often offer different benefit packages to different county service areas. In addition, some plans offer a “low” and “high” benefit option within the same service area. Drug benefits are generally offered as part of the “high” option package. The plan offered in Virginia (Cariten Insurance Company) did not begin enrollments on January 1, 2003, and benefit/premium information is not yet available.

PPO Demonstration Plan Benefits: CMS Region 3

PPO Organization	H-Number and Identifier	Premium per Month	Inpatient Hospital In Network/ (Out of Network)	Outpatient Hospital In Network/ (Out of Network)	Primary Care Physician Co-Pay In Network/ (Out of Network)	Specialty Physician Co-Pay In Network/ (Out of Network)	Prescription Drug Benefit			
							Formulary Status	Pharmacy Co-pay	Mail Order Co-pay	Benefit Maximum
Maryland										
Aetna Health Inc. of Maryland	H2110-001	\$110	\$350 co-pay (20% co-insurance)	\$0 co-pay (20% co-insurance)	\$10–20 co-pay. Specialist co-pay charged if primary care provider not selected. (20% co-insurance)	\$20 co-pay (20% co-insurance)	Generics only	\$15 for designated pharmacy (30-day supply)	\$30 mail order (90-day supply)	Unlimited generics
Aetna Health Inc. of Maryland (Employer Group)	H2110-801	\$0	\$200 per day for days 1–5 (20% co-insurance)	\$150 per visit (20% co-insurance)	\$25–\$40 co-pay (20% co-insurance)	\$35 co-pay (20% co-insurance)	No drug benefit			
Eastern Pennsylvania — Philadelphia										
Aetna Health Inc. of PA	H3914-001	\$105	\$350 co-pay (20% co-insurance)	\$0 co-pay (20% co-insurance)	\$10–20 co-pay. Specialist co-pay charged if primary care provider not selected. (20% co-insurance)	\$20 co-pay (20% co-insurance)	Generics only	\$15 for designated pharmacy (30-day supply)	\$30 mail order (90-day supply)	Unlimited generics

PPO Demonstration Plan Benefits: CMS Region 3 (continued)

PPO Organization	H-Number and Identifier	Premium per Month	Inpatient Hospital In Network/ (Out of Network)	Outpatient Hospital In Network/ (Out of Network)	Primary Care Physician Co-Pay In Network/ (Out of Network)	Specialty Physician Co-Pay In Network/ (Out of Network)	Prescription Drug Benefit			
							Formulary Status	Pharmacy Co-pay	Mail Order Co-pay	Benefit Maximum
Aetna Health Inc. of PA	H3914-002	\$130	\$350 co-pay (20% co-insurance)	\$0 co-pay (20% co-insurance)	\$10–20 co-pay. Specialist co-pay charged if primary care provider not selected. (20% co-insurance)	\$20 co-pay (20% co-insurance)	Generics only	\$15 for designated pharmacy (30-day supply)	\$30 mail order (90-day supply)	Unlimited generics
Aetna Health Inc. of PA (Employer Group)	H3914-801	\$0	\$200 per day for days 1–5 (20% co-insurance)	\$150 per visit (20% co-insurance)	\$25–\$40 co-pay (20% co-insurance)	\$35 co-pay (20% co-insurance)	No drug benefit			
Western Pennsylvania — Pittsburgh										
Coventry Health and Life Insurance Company	H3915-001	\$105	\$50 per covered stay (20% co-insurance)	\$10 per visit (20% co-insurance)	\$10 co-pay (20% co-insurance)	\$10 co-pay (20% co-insurance)	Generic formulary	\$10 for designated pharmacy (31-day supply)	\$20 mail order (90-day supply)	\$500 annual limit
Coventry Health and Life Insurance Company (Employer Group)	H3915-801	\$80	\$50 per covered stay (20% co-insurance)	\$10 per visit (20% co-insurance)	\$10 co-pay (20% co-insurance)	\$10 co-pay (20% co-insurance)	No drug benefit			
UMPC Health Benefits, Inc.	H3913-001	\$156	\$0 co-pay (out of network limited to 70 days annually)	\$0 co-pay (out of network limited to 70 days annually)	\$10 co-pay (covered at 80% after \$500 deductible)	\$15 co-pay (covered at 80% after \$500 deductible)	Formulary for both generic and brand name drugs	Member co-pays	Member co-pays	\$350 limit per quarter
UMPC Health Benefits, Inc.	H3913-002	\$96	\$0 co-pay (out of network limited to 70 days annually)	\$0 co-pay (out of network limited to 70 days annually)	\$10 co-pay (covered at 80% after \$500 deductible)	\$15 co-pay (covered at 80% after \$500 deductible)	No drug coverage			

PPO Demonstration Plan Benefits: CMS Region 3 (continued)

PPO Organization	H-Number and Identifier	Premium per Month	Inpatient Hospital In Network/ (Out of Network)	Outpatient Hospital In Network/ (Out of Network)	Primary Care Physician Co-Pay In Network/ (Out of Network)	Specialty Physician Co-Pay In Network/ (Out of Network)	Prescription Drug Benefit			
							Formulary Status	Pharmacy Co-pay	Mail Order Co-pay	Benefit Maximum
UMPC Health Benefits, Inc.	H3913-003	\$143	\$0 co-pay (out of network limited to 70 days annually)	\$0 co-pay (out of network limited to 70 days annually)	\$10 co-pay (covered at 80% after \$500 deductible)	\$15 co-pay (covered at 80% after \$500 deductible)	Formulary for both generic and brand name drugs	Member co-pays	Member co-pays	\$150 limit per quarter
UMPC Health Benefits, Inc.	H3913-004	\$107	\$0 co-pay (out of network limited to 70 days annually)	\$0 co-pay (out of network limited to 70 days annually)	\$10 co-pay (covered at 80% after \$500 deductible)	\$15 co-pay (covered at 80% after \$500 deductible)	No drug coverage			
UMPC Health Benefits, Inc.	H3913-005	\$184	\$0 co-pay (out of network limited to 70 days annually)	\$0 co-pay (out of network limited to 70 days annually)	\$10 co-pay (covered at 80% after \$500 deductible)	\$15 co-pay (covered at 80% after \$500 deductible)	Formulary for both generic and brand name drugs	Member co-pays	Member co-pays	\$150 limit per quarter
UMPC Health Benefits, Inc.	H3913-006	\$148	\$0 co-pay (out of network limited to 70 days annually)	\$0 co-pay (out of network limited to 70 days annually)	\$10 co-pay (covered at 80% after \$500 deductible)	\$15 co-pay (covered at 80% after \$500 deductible)	No drug coverage			
UMPC Health Benefits, Inc. (Employer Group)	H3913-801	\$85	\$0 co-pay (out of network limited to 70 days annually)	\$0 co-pay (out of network limited to 70 days annually)	\$10 co-pay (covered at 80% after \$500 deductible)	\$15 co-pay (covered at 80% after \$500 deductible)	No drug coverage			
Virginia										
Cariten Insurance Company	H4907-001	Benefit and premium information not yet available								

3. Payment Rates

Base payment rates for each MCO vary by the counties included in the plan service area. The table below indicates both the current Medicare County Parts A and B Combined Aged Rate Book amount and the “99 percent” county rate calculated by the CMS Office of the Actuary. Due to some policy requirements of the 2003 Medicare County Rate Book (which is also the base payment amount that applied for all M+C plans competing in these counties), these Medicare county rates are in almost all cases higher than the 99 percent county rates.

Payment Rates Summary: CMS Region 3

PPO Organization	H-Number and Identifier	Counties	Medicare County A+B Aged Rate 2003 ¹	99 Percent County A+B Aged Rate ²
Maryland				
Aetna Health Inc. of Maryland	H2110	Anne Arundel, MD	\$639.74	\$641.30
		Baltimore	\$614.86	\$628.08
		Baltimore City	\$719.51	\$690.12
		Calvert	\$564.10	\$578.20
		Charles	\$642.49	\$679.98
		Harford	\$608.19	\$654.97
Eastern Pennsylvania — Philadelphia				
Aetna Health Inc. of PA	H3914	Bucks, PA	\$654.62	\$639.75
		Chester	\$593.31	\$575.21
		Delaware	\$671.09	\$700.29
		Lehigh	\$564.10	\$537.01
		Monroe	\$573.19	\$575.15
		Montgomery	\$587.88	\$575.05
		Northampton	\$589.46	\$576.39
		Philadelphia	\$800.87	\$693.47
		Schuylkill	\$527.97	\$536.06

¹Figures from the 2003 Medicare County Parts A and B Combined Aged Rate Book, prepared and published by the CMS Office of the Actuary.

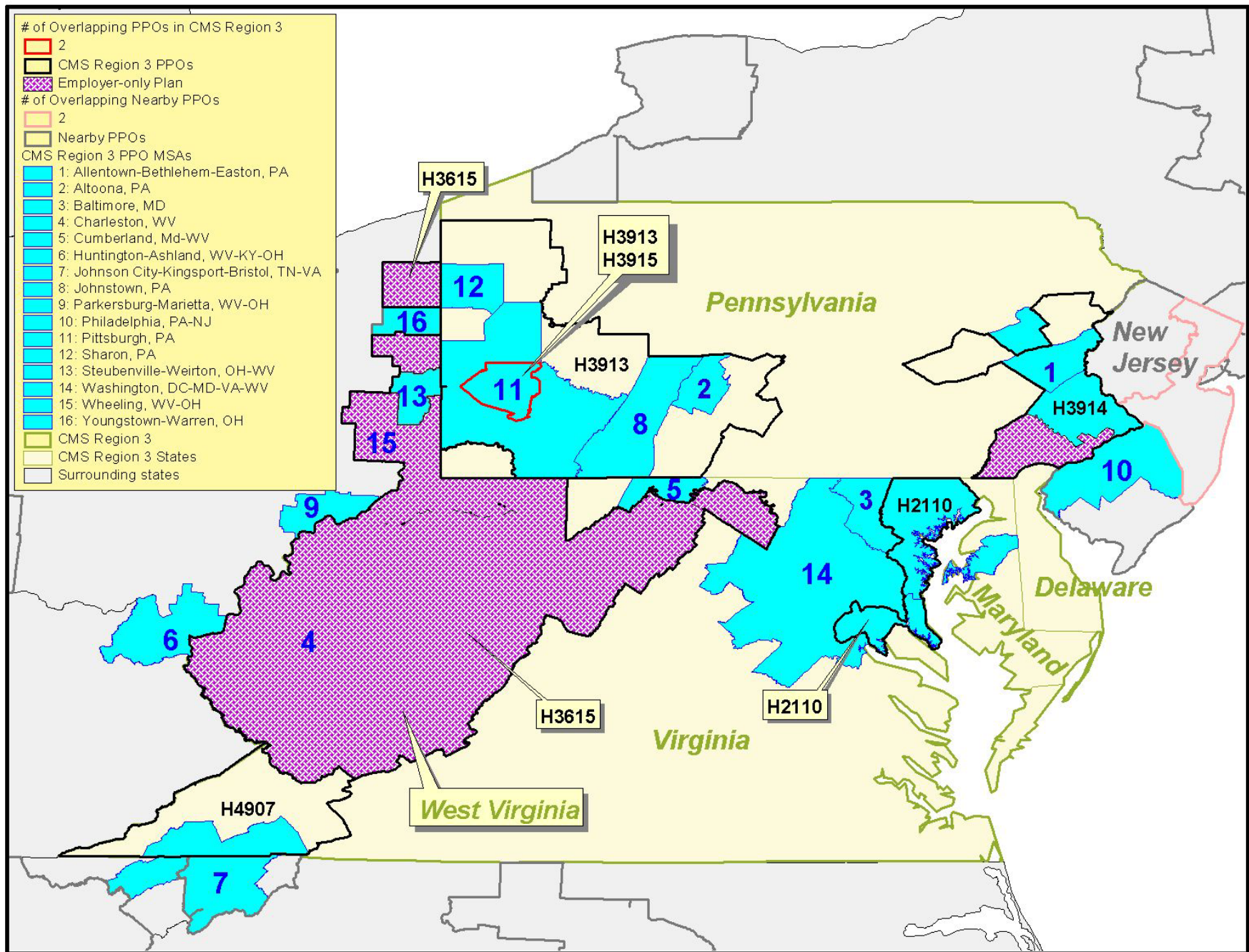
²Figures prepared by the CMS Office of the Actuary.

Payment Rates Summary: CMS Region 3 (continued)

PPO Organization	H-Number and Identifier	Counties	Medicare County A+B Aged Rate 2003 ¹	99 Percent County A+B Aged Rate ²
Western Pennsylvania — Pittsburgh				
Coventry Health and Life Insurance Company	H3915	Allegheny, PA	\$677.28	\$622.70
UMPC Health Benefits, Inc.	H3913	Allegheny, PA	\$677.28	\$622.70
		Armstrong	\$565.65	\$564.66
		Beaver	\$583.52	\$558.80
		Bedford	\$510.38	\$480.47
		Blair	\$530.06	\$538.03
		Butler	\$581.17	\$568.84
		Cambria	\$595.08	\$568.81
		Crawford	\$510.38	\$509.33
		Fayette	\$663.40	\$637.49
		Huntingdon	\$510.38	\$442.18
		Indiana	\$597.02	\$583.12
		Lawrence	\$584.56	\$590.38
		Mercer	\$548.97	\$564.61
		Somerset	\$553.34	\$552.92
		Venango	\$533.65	\$550.41
		Washington	\$632.88	\$625.58
		Westmoreland	\$636.64	\$631.18

Payment Rates Summary: CMS Region 3 (continued)

PPO Organization	H-Number and Identifier	Counties	Medicare County A+B Aged Rate 2003 ¹	99 Percent County A+B Aged Rate ²
Virginia				
Cariten Insurance Company	H4907	Bristol City, VA	\$564.10	\$418.18
		Buchanan	\$606.05	\$677.38
		Dickenson	\$582.42	\$654.98
		Lee	\$533.92	\$564.85
		Norton City	\$690.84	\$658.20
		Russell	\$612.27	\$613.60
		Scott	\$564.10	\$415.30
		Smyth	\$510.38	\$404.50
		Tazewell	\$556.90	\$583.00
		Washington	\$564.10	\$411.05
		Wise	\$565.91	\$594.70



CMS Region 4: Atlanta

In the CMS Atlanta region (which includes Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee), the PPO demonstration has a number of MCOs operating in five states. In Alabama, **United HealthCare (H0102 and H0103)** is operating two MCOs. In Florida, **Humana (H1047)** and **United HealthCare (H5400 and H5401)** are offering PPO options. In Kentucky, **Anthem** has an MCO pending approval with CMS. The PPO demonstration MCO in North Carolina is **United HealthCare (H3403)**. In Tennessee, both **Cariten (H4403)** and **Health Spring (H4404)** offer options that cover large areas of the state. All of the organizations in these areas are commercial, for-profit.

PPO Demonstration Plans: CMS Region 4

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
Alabama				
United HealthCare	H0102-001	For-Profit	Birmingham, AL	Blount Jefferson Shelby St. Clair
			Non-MSA	Chilton
United HealthCare	H0103-001	For-Profit	Mobile, AL	Mobile
East Coast Florida				
United HealthCare	H5400-001	For-Profit	Ft. Lauderdale, FL	Broward
United HealthCare	H5400-002	For-Profit	West Palm Beach-Boca Raton, FL	Palm Beach

PPO Demonstration Plans: CMS Region 4 (continued)

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
West Coast Florida				
Humana	H1047-001	For-Profit	Tampa-St. Petersburg- Clearwater, FL	Pinellas
United HealthCare	H5401-001	For-Profit	Tampa-St. Petersburg- Clearwater, FL	Hillsborough Pinellas
United HealthCare	H5401-002	For-Profit	Tampa-St. Petersburg- Clearwater, FL	Hernando Pasco
United HealthCare	H5401-003	For-Profit	Fort Myers-Cape Coral, FL	Lee
Kentucky				
Anthem	Pending approval	For-Profit	Cincinnati, OH-KY-IN	Boone Campbell Kenton
North Carolina				
United HealthCare	H3403-001	For-Profit	Greensboro-Winston Salem-High Point, NC	Alamance Forsyth Guilford Randolph
			Charlotte-Gastonia-Rock Hill, NC,SC	Mecklenburg
			Raleigh-Durham-Chapel Hill, NC	Chatham Durham Orange Wake
			Non-MSA	Rockingham

PPO Demonstration Plans: CMS Region 4 (continued)

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
Tennessee				
Cariten	H4403-001	For-Profit	Knoxville, TN	Anderson Blount Knox Loudon Sevier Union
			Johnson City-Kingsport-Bristol, TN,VA	Carter Sullivan Unicoi Washington
			Non-MSA	Campbell Cocke Grainger Hamblen Jefferson Johnson Morgan Roane Scott
Health Spring	H4404-001	For-Profit	Nashville, TN	Cheatham Davidson Robertson Rutherford Sumner Williamson Wilson
			Non-MSA	Cannon DeKalb Macon Marshall Smith Trousdale

1. Overview of Geographic Service Area and Medicare+Choice

The map at the end of this section illustrates the service areas for the PPO demonstration MCOs within this Atlanta regional office area. Five states are highlighted: Alabama, Florida, Kentucky, North Carolina, and Tennessee.

A wide range of other managed care options are available to beneficiaries in the service areas where these PPOs are located. In Alabama, **The Oath of Alabama (H0150)**, **United HealthCare (H0151)**, and **VIVA Health, Inc. (H0152)** all offer coordinated care plans. In these Alabama demonstration counties, Medicare managed care penetration is nearly 0 percent, despite a number of M+C plan options that include drug benefits offered for a zero premium. Average county risk scores are above 1.0, indicating an area of higher than average predicted health risk among Medicare beneficiaries.

In Florida, a large number of organizations offer coordinated care plans in the demonstration counties. In East Coast Florida, the following MCOs are offered: **Health Net (H1013)**, **AvMed Health Plan (H1016)**, **Care Plus Health Plans (H1019)**, **Health Options (H1026)**, **Humana (H1036)**, **United HealthCare (H1040)**, **Vista Health Plan (H1076)**, **Neighborhood Partnership (H1078)**, **WellCare HMO Inc. (H1032)**, **America's Choice Medical Plan (H1034)**. Medicare managed care penetration in these counties of east coast Florida is quite high (between 27 and 43 percent); not surprising given the ready availability of prescription drugs offered for zero premiums. PIP-DCG scores are generally near 1.0. Demonstration counties in the West Coast of Florida also have a number of M+C MCOs. These are **Quality Health Plans (H5402)**, **United HealthCare (H1080)**, **WellCare HMO Inc. (H1032)**, and **Humana (H1036)**. Both Medicare managed care penetration and PIP-DCG risk scores are lower in West Coast Florida compared to the East Coast. However, availability of prescription drug benefit plans and zero premiums are a common element.

In Kentucky, one organization offers an M+C plan: **Anthem Health Plans of Kentucky (H1849)**. Two organizations offer plans in the demonstration counties of North Carolina: **Partners National Health Plans of NC (H3449)**, and **United HealthCare (H3456)**. Relatively low Medicare managed care penetration and PIP-DCG scores are found in Kentucky and North Carolina.

There are three coordinated care plans in the demonstration counties of Tennessee: **John Deere Health Plan (H4456)**, **Cariten Health Plan (H4461)**, and **Health Spring Inc. (H4454)**. In addition, some of these areas offer

beneficiaries access to one of two private FFS plans: **Sterling (H5006)** and/or **Unicare Health and Life (H0540)**, which is still pending approval with CMS. Medicare managed care is moderate in these Tennessee counties. Drug benefits are available to Medicare beneficiaries but not generally at a zero premium.

The following table summarizes the M+C coordinated care plan options offered to beneficiaries in the MSA service area counties covered by the demonstration sites of the CMS Atlanta region. In the count of M+C plans offered in these MSA areas, we did not include options such as “cost” HMOs or other demonstration options such as PACE, EverCare, and Social HMOs because these options may have limited new enrollments and/or special conditions on enrollment.

Medicare+Choice Option Summary: CMS Region 4

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit	Number of MCOs Offering a “Zero Premium” Option	Range of 2003 Medicare County Payment Rates ⁵	Range of PIP-DCG County Risk Scores ⁶
Alabama										
Birmingham, AL	3	0	142,650	435	0.3%	\$0	3	3	\$597.56– \$735.70	1.0114–1.109
Blount	H0150									
Jefferson	H0151									
Shelby	H0154									
St. Clair										
Mobile, AL	1	0	60,673	0	0.0%	\$0	1	1	\$601.71	1.0421
Mobile	H0151									

¹Does not include cost reimbursed managed care options, demonstration MCOs (such as PACE, EverCare, and Social HMOs), or MCOs sponsored by employers and offering enrollment only to their retirees.

²Medicare eligibles in the counties specifically listed under the MSA. These figures do not reflect the totals for the MSA but rather the counties within this MSA in which a PPO demonstration is offered. Figures from the February 2003 HPMS.

³Medicare enrollees in the counties specifically listed under the MSA. These figures do not reflect the totals for the MSA but rather the counties within this MSA in which a PPO demonstration is offered. Figures from the February 2003 HPMS.

⁴Includes premiums from multiple benefit plans offered by a single MCO.

⁵Based on the Medicare County Parts A and B Combined Aged Rate Book.

⁶PIP-DCG is Principal In-Patient Diagnostic Cost Group.

⁷Pending approval from CMS.

Medicare+Choice Option Summary: CMS Region 4 (continued)

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit	Number of MCOs Offering a "Zero Premium" Option	Range of 2003 Medicare County Payment Rates ⁵	Range of PIP-DCG County Risk Scores ⁶
East Coast Florida										
Ft. Lauderdale, FL	8	0	252,394	110,338	43.7%	\$0–\$125	8	7	\$739.60	1.0579
Broward	H1013 H1016 H1019 H1026 H1036 H1040 H1076 H1078									
West Palm Beach-Boca Raton, FL	8	0	250,022	68,627	27.4%	\$0–\$99	4	4	\$643.63	0.992
Palm Beach	H1013 H1026 H1032 H1034 H1036 H1040 H1076 H1078									
West Coast Florida										
Fort Myers-Cape Coral, FL	1	0	106,595	4,205	3.9%	\$0	1	1	\$564.10	0.9333
Lee	H1080									
Tampa-St. Petersburg-Clearwater, FL	4	0	478,444	103,310	22.0%	\$0–\$28	4	4	\$564.10– \$613.45	0.962–1.0324
Pinellas	H1032 H1036									
Hillsborough	H1080									
Hernando	H5402									
Pasco										

Medicare+Choice Option Summary: CMS Region 4 (continued)

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit	Number of MCOs Offering a "Zero Premium" Option	Range of 2003 Medicare County Payment Rates ⁵	Range of PIP-DCG County Risk Scores ⁶
Kentucky										
Cincinnati, OH-KY-IN	1	0	43,033	3,767	8.8%	\$0-\$80	1	1	\$564.10	0.9853–1.0045
Boone Campbell Kenton	H1849									
North Carolina										
Charlotte-Gastonia-Rock Hill, NC, SC	2	1	74,948	2,918	3.9%	\$0-\$88	1	1	\$564.10	0.9585
Mecklenburg	H3449 H3456	H5006								
Greensboro-Winston Salem-High Point, NC	2	0	150,841	27,085	18.0%	\$0-\$45	1	1	\$564.10	0.9628–0.9661
Alamance Forsyth Guilford Randolph	H3449 H3456									
Raleigh-Durham-Chapel Hill, NC	2	0	109,872	3,261	3.0%	\$0-\$45	1	1	\$564.10	0.9602–1.0124
Chatham Durham Orange Wake	H3449 H3456									

Medicare+Choice Option Summary: CMS Region 4 (continued)

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit	Number of MCOs Offering a "Zero Premium" Option	Range of 2003 Medicare County Payment Rates ⁵	Range of PIP-DCG County Risk Scores ⁶
Tennessee										
Johnson City-Kingsport-Bristol, TN, VA	1	2	65,211	12,178	18.7%	\$25–\$88	1	0	\$564.10	0.995–1.0436
Carter Sullivan Unicoi Washington	H4456	H0540 ⁷ H5006								
Knoxville, TN	2	1	115,622	9,526	8.2%	\$25–\$115	2	0	\$564.10	0.9584–1.0595
Anderson Blount Knox Loudon Sevier Union	H4456 H4461	H5006								
Nashville, TN	1	1	144,280	17,833	12.4%	\$0–\$88	1	1	\$564.10– \$675.58	0.9823– 1.0783
Cheatham Davidson Robertson Rutherford Sumner Williamson Wilson	H4454	H5006								

2. PPO Benefit Packages

In this region, PPO MCOs often offer different benefit packages to different county service areas. In addition, some plans offer a “low” and “high” benefit option within the same service area. Drug benefits are generally offered as part of the “high” option package.

PPO Demonstration Plan Benefits: CMS Region 4

PPO Organization	H-Number and Identifier	Premium per Month	Inpatient Hospital In Network/ (Out of Network)	Outpatient Hospital In Network/ (Out of Network)	Primary Care Physician Co-Pay In Network/ (Out of Network)	Specialty Physician Co-Pay In Network/ (Out of Network)	Prescription Drug Benefit			
							Formulary Status	Pharmacy Co-pay	Mail Order Co-pay	Benefit Maximum
Alabama										
United HealthCare	H0102-001	\$39	\$100 per day co-pay for days 1–18 (20% co-insurance)	10% co-insurance (20% co-insurance)	\$5 co-pay (20% co-insurance)	\$15 co-pay (20% co-insurance)	Generics only	\$12 for designated pharmacy (31-day supply)	\$36 mail order (90-day supply)	\$500 annual maximum
United HealthCare	H0103-001	\$65	\$100 per day co-pay for days 1–18 (20% co-insurance)	10% co-insurance (20% co-insurance)	\$10 co-pay (20% co-insurance)	\$20 co-pay (20% co-insurance)	Generics only	\$12 for designated pharmacy (31-day supply)	\$36 mail order (90-day supply)	\$500 annual maximum
East Coast Florida										
United HealthCare	H5400-001	\$105	\$25 per day co-pay for days 1–72 (20% co-insurance)	\$0 co-pay (20% co-insurance)	\$10 co-pay (20% co-insurance)	\$10 co-pay (20% co-insurance)	Generic drugs only	\$10 for generics at designated pharmacy (31-day supply)	\$30 for generics mail order (90-day supply)	\$500 annual limit
United HealthCare	H5400-002	\$130	\$25 per day co-pay for days 1–72 (20% co-insurance)	\$0 co-pay (20% co-insurance)	\$10 co-pay (20% co-insurance)	\$10 co-pay (20% co-insurance)	Generic drugs only	\$10 for generics at designated pharmacy (31-day supply)	\$30 for generics mail order (90-day supply)	\$500 annual limit

PPO Demonstration Plan Benefits: CMS Region 4 (continued)

PPO Organization	H-Number and Identifier	Premium per Month	Inpatient Hospital In Network/ (Out of Network)	Outpatient Hospital In Network/ (Out of Network)	Primary Care Physician Co-Pay In Network/ (Out of Network)	Specialty Physician Co-Pay In Network/ (Out of Network)	Prescription Drug Benefit			
							Formulary Status	Pharmacy Co-pay	Mail Order Co-pay	Benefit Maximum
West Coast Florida										
Humana	H1047-001	\$79	\$150 per day co-pay for days 1–5 (\$500 annual deductible, then 30% co-insurance)	\$50 co-pay (\$500 annual deductible, then 30% co-insurance)	\$5 co-pay (\$500 annual deductible, then 30% co-insurance)	\$30 co-pay (\$500 annual deductible, then 30% co-insurance)	Generics and brand name drugs	\$10 for generics at designated pharmacy (31-day supply) 20% co-insurance for brand name drugs	\$24 for generics mail order (90-day supply) 20% co-insurance for brand name drugs	Unlimited generic drugs
United HealthCare	H5401-001	\$65	\$100 per day co-pay for days 1–18 (20% co-insurance)	10% co-insurance (20% co-insurance)	\$10 co-pay (20% co-insurance)	\$25 co-pay (20% co-insurance)	Generic drugs only	\$12 for generics at designated pharmacy (31-day supply)	\$36 for generics mail order (90-day supply)	\$500 annual limit
United HealthCare	H5401-002	\$65	\$125 per day co-pay for days 1–15 (20% co-insurance)	10% co-insurance (20% co-insurance)	\$10 co-pay (20% co-insurance)	\$15 co-pay (20% co-insurance)	Generic drugs only	\$12 for generics at designated pharmacy (31-day supply)	\$36 for generics mail order (90-day supply)	\$500 annual limit
United HealthCare	H5401-003	\$65	\$125 per day co-pay for days 1–15 (20% co-insurance)	10% co-insurance (20% co-insurance)	\$10 co-pay (20% co-insurance)	\$15 co-pay (20% co-insurance)	Generic drugs only	\$12 for generics at designated pharmacy (31-day supply)	\$36 for generics mail order (90-day supply)	\$500 annual limit
Kentucky										
Anthem Blue Cross Blue Shield	Pending approval	Benefit and premium information not available								

PPO Demonstration Plan Benefits: CMS Region 4 (continued)

PPO Organization	H-Number and Identifier	Premium per Month	Inpatient Hospital In Network/ (Out of Network)	Outpatient Hospital In Network/ (Out of Network)	Primary Care Physician Co-Pay In Network/ (Out of Network)	Specialty Physician Co-Pay In Network/ (Out of Network)	Prescription Drug Benefit			
							Formulary Status	Pharmacy Co-pay	Mail Order Co-pay	Benefit Maximum
North Carolina										
United HealthCare	H3403-001	\$60	\$100 per day co-pay for days 1–18 (20% co-insurance)	0–10% co-insurance (20% co-insurance)	\$10 co-pay (20% co-insurance)	\$10 co-pay (20% co-insurance)	Generic drugs only	\$10 for generics at designated pharmacy (31-day supply)	\$30 for generics mail order (90-day supply)	\$500 annual limit
Tennessee										
Cariten Insurance Company	H4403-001	\$63	\$250 co-pay per stay (out of network limited to 70 days annually, with 50% co-insurance)	\$100 co-pay per visit (30% co-insurance)	\$15 co-pay (30% co-insurance)	\$15 co-pay (30% co-insurance)	No drug coverage			
Health Spring	H4404-001	\$70	\$50 per day co-pay for days 1–10 (\$200 per day co-pay for days 1–10)	\$100–\$250 co-pay per visit (\$250 co-pay)	\$10–\$25 co-pay (\$25 co-pay)	\$10–\$25 co-pay (\$25 co-pay)	Generic formulary	\$15 for generics at designated pharmacy (30-day supply)	No mail order	Unlimited generics

3. Payment Rates

Base payment rates for each demonstration vary by the counties included in the plan service area. The table below indicates both the current Medicare County Parts A and B Combined Aged Rate Book amount and the “99 percent” county rate calculated by the CMS Office of the Actuary. Due to some policy requirements of the 2003 Medicare County Rate Book (which is also the base payment amount that applied for all M+C MCOs competing in these counties), these Medicare county rates are in almost all cases higher than the 99 percent county rates.

Payment Rates Summary: CMS Region 4

PPO Organization	H-Number and Identifier	Counties	Medicare County A+B Aged Rate 2003 ¹	99 Percent County A+B Aged Rate ²
Alabama				
United HealthCare	H0102	Blount, AL	\$616.18	\$533.03
		Chilton	\$618.29	\$574.17
		Jefferson	\$597.56	\$547.11
		Shelby	\$735.70	\$592.45
		St. Clair	\$611.40	\$564.65
United HealthCare	H0103	Mobile	\$601.71	\$589.84
East Coast Florida				
United HealthCare	H5400	Broward, FL	\$739.60	\$740.33
		Palm Beach	\$643.63	\$698.25

¹Figures from the 2003 Medicare County Parts A and B Combined Aged Rate Book, prepared and published by the CMS Office of the Actuary.

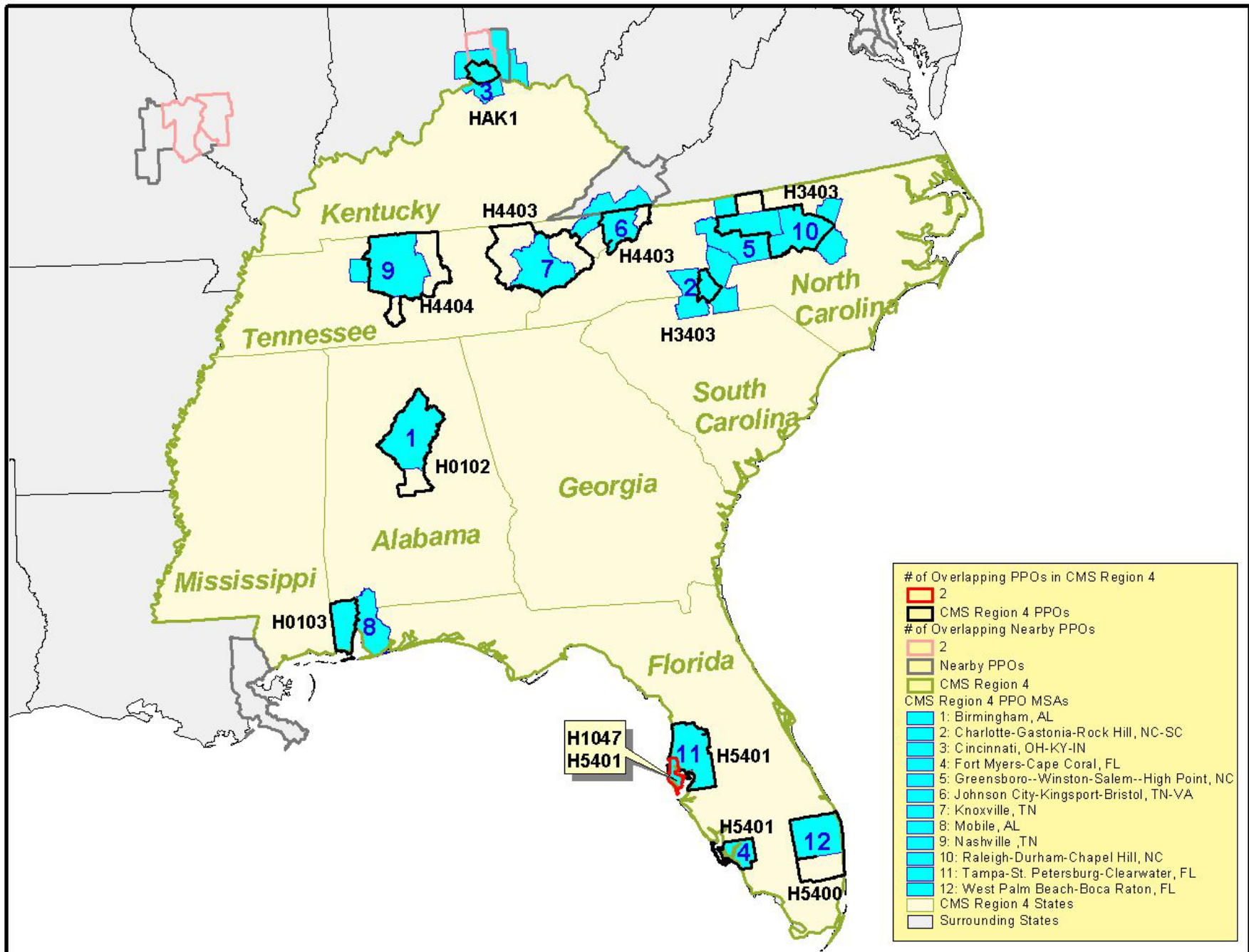
²Figures prepared by the CMS Office of the Actuary.

Payment Rates Summary: CMS Region 4 (continued)

PPO Organization	H-Number and Identifier	Counties	Medicare County A+B Aged Rate 2003 ¹	99 Percent County A+B Aged Rate ²
West Coast Florida				
Humana	H1047	Pinellas	\$571.17	\$603.68
United HealthCare	H5401	Hernando, FL	\$581.55	\$647.91
		Hillsborough	\$564.10	\$555.97
		Lee	\$564.10	\$527.67
		Pasco	\$613.45	\$598.08
		Pinellas	\$571.17	\$603.68
Kentucky				
Anthem	Pending Approval	Boone, KY	\$564.10	\$538.13
		Campbell	\$564.10	\$491.19
		Kenton	\$564.10	\$488.76
North Carolina				
United HealthCare	H3403	Alamance, NC	\$564.10	\$371.43
		Chatham	\$564.10	\$370.08
		Durham	\$564.10	\$400.37
		Forsyth	\$564.10	\$403.59
		Guilford	\$564.10	\$417.37
		Mecklenburg	\$564.10	\$451.62
		Orange	\$564.10	\$355.50
		Randolph	\$564.10	\$423.22
		Rockingham	\$510.38	\$421.37
		Wake	\$564.10	\$469.92

Payment Rates Summary: CMS Region 4 (continued)

PPO Organization	H-Number and Identifier	Counties	Medicare County A+B Aged Rate 2003 ¹	99 Percent County A+B Aged Rate ²
Tennessee				
Cariten	H4403	Anderson	\$564.10	\$462.50
		Blount	\$564.10	\$441.80
		Campbell	\$538.44	\$529.10
		Carter	\$564.10	\$397.39
		Cocke	\$510.38	\$420.81
		Grainger	\$518.37	\$411.01
		Hamblen	\$529.15	\$494.44
		Jefferson	\$510.38	\$456.68
		Johnson	\$510.38	\$384.48
		Knox	\$564.10	\$549.46
		Loudon	\$564.10	\$480.88
		Morgan	\$598.17	\$475.04
		Roane	\$568.94	\$480.44
		Scott	\$667.38	\$568.71
		Sevier	\$564.10	\$408.85
		Sullivan	\$564.10	\$406.10
Unicoi	\$564.10	\$419.73		
Union	\$564.10	\$408.52		
Washington	\$564.10	\$429.06		
Health Spring	H4404	Cannon	\$728.75	\$520.92
		Cheatham	\$576.16	\$516.68
		Davidson	\$587.11	\$500.09
		DeKalb	\$665.44	\$540.93
		Macon	\$584.94	\$509.20
		Marshall	\$598.86	\$520.34
		Robertson	\$565.21	\$523.34
		Rutherford	\$564.10	\$462.45
		Smith	\$627.65	\$574.79
		Sumner	\$567.81	\$516.01
		Trousdale	\$606.27	\$444.76
		Williamson	\$576.72	\$481.76
		Wilson	\$675.58	\$561.97



CMS Region 6: Dallas

In the CMS Dallas region (which includes Arkansas, Louisiana, New Mexico, Oklahoma, and Texas), the demonstration has one MCO offering a PPO plan in Louisiana: **Tenet Choices, Inc (H1901)**. Tenet Choices, Inc., is a for-profit provider. The Tenet Choices plan service area is centered around the New Orleans MSA and includes four counties: Jefferson, Orleans, Plaquemines, and St. Tammany (partial).

PPO Demonstration Plans: CMS Region 6

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
Louisiana				
Tenet Choices, Inc.	H1901-001	For-Profit	New Orleans, LA	Jefferson, LA Orleans Plaquemines St. Tammany

1. Overview of Geographic Service Area and Medicare+Choice

The map at the end of this section illustrates the service areas for the PPO demonstration MCO within this Dallas regional office. One state is highlighted: Louisiana. No PPO MCOs are located in Arkansas, Texas, New Mexico, or Oklahoma.

Two other M+C MCOs currently exist for beneficiaries in the service area for this PPO demonstration MCO: **Ochsner Health Plans New Orleans (H1951)** and **Tenet Choices, Inc. (H1961)**. In addition, beneficiaries in this area have access to a private FFS plan: **Sterling Life Insurance Company (H5006)**. Although the Sterling private FFS plan is offered in this geographic area, there appears to be very little local enrollment. However, overall M+C managed care penetration in these counties is relatively high at 29.9 percent. This high penetration may be driven by the availability of zero premium plans that include drug benefits (a relative rarity in M+C). High M+C county

payment rates (ranging in this area between \$717.89 and \$827.57) may also be a factor in supporting these relatively rich M+C benefits.

The following table summarizes the M+C options offered to beneficiaries in the MSA service area counties covered by the single demonstration MCO in the CMS Dallas region. In the count of M+C MCOs offered in these MSA areas, we did not include special options such as “cost” HMOs or other demonstration options such as PACE, EverCare, and Social HMOs because these options may have limited new enrollments and/or special conditions on enrollment. PIP-DCG scores, a rough estimate of the health care financial risk of beneficiaries in these MSA counties, range both above and below 1.0, indicating areas of lower and higher than average predicted Medicare costs.

Medicare+Choice Option Summary: CMS Region 6

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit ⁵	Number of MCOs Offering a “Zero Premium” Option ⁶	Range of 2003 Medicare County Payment Rates ⁷	Range of PIP-DCG County Risk Scores ⁸
Louisiana										
New Orleans, LA	2	1	163,542	48,891	29.9%	\$0–\$88	2	2	\$717.89– \$827.57	0.9815– 1.0902
Jefferson, LA Orleans Plaquemines St. Tammany	H1951 H1961	H5006								

¹Does not include cost reimbursed managed care options, demonstration MCOs (such as PACE, EverCare, and Social HMOs), or MCOs sponsored by employers and offering enrollment only to their retirees.

²Medicare eligibles in the counties specifically listed under the MSA. These figures do not reflect the totals for the MSA but rather the counties within this MSA in which a PPO demonstration is offered. Figures from the February 2003 HPMS.

³Medicare enrollees in the counties specifically listed under the MSA. These figures do not reflect the totals for the MSA but rather the counties within this MSA in which a PPO demonstration is offered. Figures from the February 2003 HPMS.

⁴Includes premiums from multiple benefit plans offered by a single MCO.

⁵Organizations offering a drug benefit to non-employer groups

⁶Organizations offering a zero premium plan to non-employer groups

⁷Figures from the 2003 Medicare County Parts A and B Combined Aged Rate Book.

⁸PIP-DCG is Principal In-Patient Diagnostic Cost Group.

2. PPO Benefit Packages

A single PPO benefit package is offered for Tenet Choices, Inc., in Louisiana, with a monthly premium of \$85.00. This premium amount is higher than premiums for other M+C plans offered in these counties (who offer zero premium options). Like the M+C products offered in this area, the demonstration plan in this geographic region offers a drug benefit.

PPO Demonstration Plan Benefits: CMS Region 6

PPO Organization	H-Number and Identifier	Premium per Month	Inpatient Hospital In Network/ (Out of Network)	Outpatient Hospital In Network/ (Out of Network)	Primary Care Physician Co-Pay In Network/ (Out of Network)	Specialty Physician Co-Pay In Network/ (Out of Network)	Prescription Drug Benefit			
							Formulary Status	Pharmacy Co-pay	Mail Order Co-pay	Benefit Maximum
Louisiana										
Tenet Choices, Incorporated	H1901-001	\$85	\$0 co-pay (20% co-insurance)	\$0 co-pay (20% co-insurance)	\$0 co-pay (20% co-insurance)	\$0 co-pay (20% co-insurance)	No formulary Generics only	\$10 for designated pharmacy (34-day supply)	\$30 for mail order (90-day supply)	Unlimited generic drugs

3. Payment Rates

Base payment rates for each PPO MCO are the same, varying only the counties included in the plan service area. The table below indicates both the current Medicare County Parts A and B Combined Aged Rate Book amount and the “99 percent” county rate calculated by the CMS Office of the Actuary. Due to some policy requirements of the 2003 Medicare County Rate Book (which is also the base payment amount that applied for all M+C plans competing in these counties), these Medicare county rates are in almost all cases higher than the 99 percent county rates.

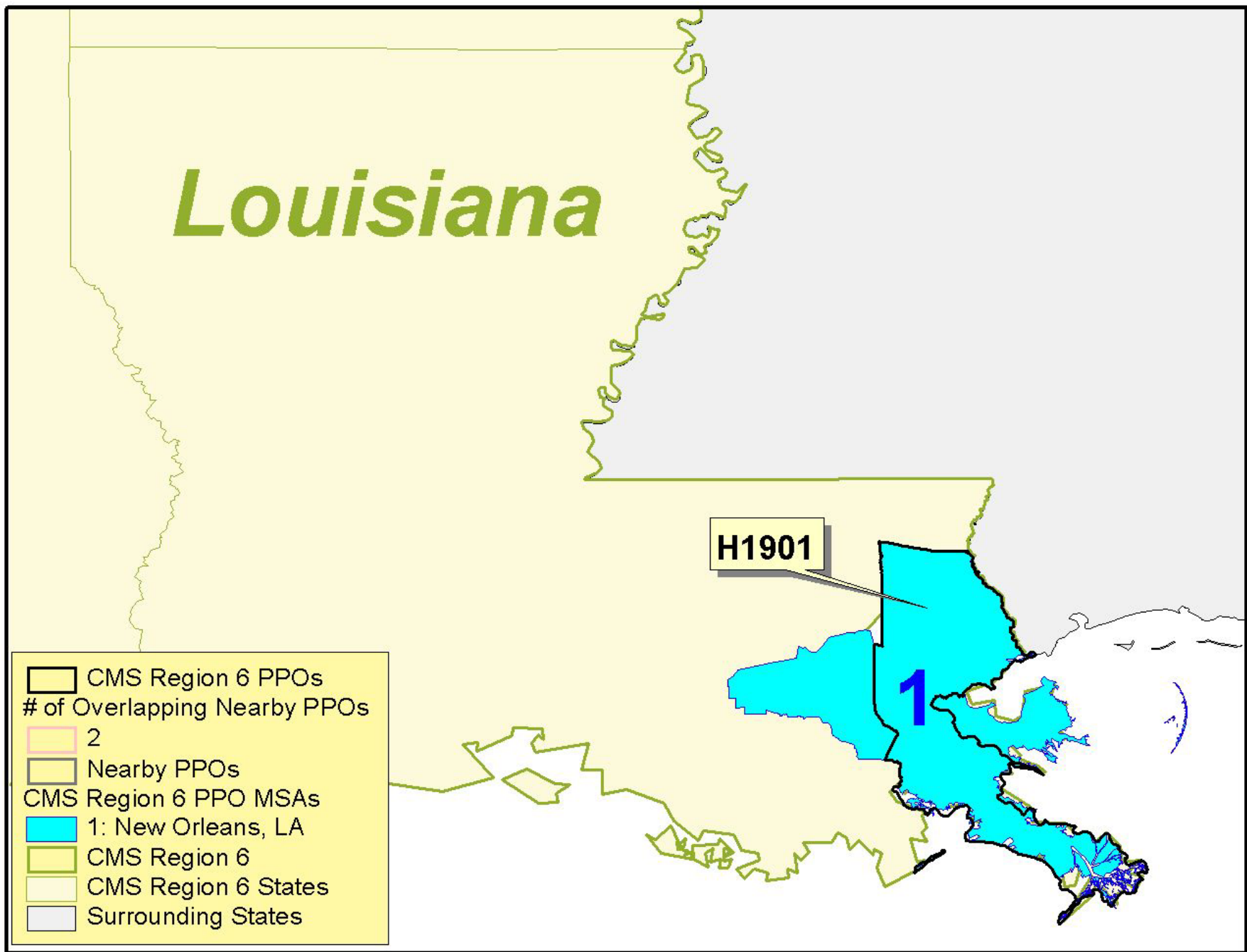
Payment Rates Summary: CMS Region 6

PPO Organization	H-Number and Identifier	Counties	Medicare County A+B Aged Rate 2003 ¹	99 Percent County A+B Aged Rate ²
Louisiana				
Tenet Choices, Inc.	H1901	Jefferson, LA	\$722.40	\$692.49
		Orleans	\$697.91	\$715.52
		Plaquemines	\$827.57	\$746.12
		St. Tammany	\$717.89	\$723.74

¹Figures from the 2003 Medicare County Parts A and B Combined Aged Rate Book, prepared and published by the CMS Office of the Actuary.

²Figures prepared by the CMS Office of the Actuary.

Louisiana



CMS Region 5: Chicago and Region 7: Kansas City

In the CMS Chicago region (which includes Illinois, Michigan, Indiana, Minnesota, Ohio, and Wisconsin), the demonstration has a number of MCOs offering a PPO option. In Illinois, these are **Coventry (H1412)**, **United HealthCare (H1413)**, and **Order of St. Francis (H1408)**. In Indiana, one plan is offered: **Advantage (H1508)**. In Ohio, three PPO plans are offered: **Anthem (pending approval)**, **Coventry (H3615)**, and **United HealthCare (H3616) and (H3617)**. Because of the proximity of the geographic service areas, the PPO MCOs in the CMS Kansas City Region 7 will also be summarized in this section as well as the service areas that overlap these states into West Virginia. These plans, which share a general service area with MCOs in Illinois, are located in Missouri and Kansas: **Coventry (H1412)**, **United HealthCare (H1413)**, and **Coventry (H1715)**. All the organizations offering PPO options in these regions are for-profit.

PPO Demonstration Plans: CMS Regions 5 and 7

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
Illinois/Missouri				
Coventry Health and Life Insurance Company, Inc.	H1412-001	For-Profit	St. Louis, MO-IL	Madison, IL St. Claire St. Louis, MO St. Louis City Jefferson St. Charles

PPO Demonstration Plans: CMS Regions 5 and 7 (continued)

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
Coventry Health and Life Insurance Company, Inc. (Employer Group)	H1412-801	For-Profit	Columbia, MO	Boone, MO
			St. Louis, MO-IL	Clinton, IL Madison St. Claire St. Louis, MO St. Louis City Jefferson Lincoln St. Charles
			Non-MSA	Bond, IL Monroe Randolph Calloway, MO Cole Crawford Franklin Gasconde Montgomery St. Francois St. Genevieve Washington
Coventry Health and Life Insurance Company	H1715-001	For-Profit	Kansas City, MO-KS	Cass, MO Jackson Johnson
Order of St. Francis Health Plans	H1408-001	For-Profit	Bloomington-Normal, IL	McLean, IL
			Peoria-Pekin, IL	Peoria, IL Tazewell Woodford
			Rockford, IL	Boone, IL Winnebago
			Non-MSA	Knox, IL Livingston Marshall Stark

PPO Demonstration Plans: CMS Regions 5 and 7 (continued)

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
United HealthCare	H1413-001	For-Profit	St. Louis, MO-IL	Madison, IL Monroe St. Claire St. Louis, MO St. Louis City Franklin Jefferson St. Charles Warren
			Non-MSA	Crawford, MO
Indiana				
Advantage Health Solutions, Inc.	H1508-001	For-Profit	Fort Wayne, IN	Allen, IN
			South Bend, IN	St. Joseph, IN
Ohio/West Virginia				
Anthem Blue Cross/Blue Shield	Pending	For-Profit	Cincinnati, OH,KY,IN	Hamilton, OH Clermont Warren
			Hamilton-Middleton, OH	Butler, OH
Coventry Health and Life Insurance Company	H3615-001	For-Profit	Steubenville-Weirton, OH-WV	Jefferson, OH Hancock, WV
Coventry Health and Life Insurance Company (Employer Group)	H3615-801	For-Profit	Charleston, WV	Kanawha, WV
			Cumberland, MD-WV	Mineral, WV
			Huntington-Ashland, WV-KY-OH	Cabell, WV Wayne
			Parkersburg-Marietta, WV-OH	Wood, WV
			Steubenville-Weirton, OH-WV	Jefferson, OH Brooke, WV Hancock
			Washington, DC-MD-VA-WV	Berkeley, WV Jefferson
			Wheeling, WV-OH	Marshall, WV Ohio

(continued next page)

PPO Demonstration Plans: CMS Regions 5 and 7 (continued)

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
			Non-MSA	Barbour, WV Boone Braxton Calhoun Clay Doddridge Fayette Gilmer Grant Greenbrier Hampshire Hardy Harrison Jackson Lewis Lincoln Logan McDowell Marion Mason Mercer Mingo Monongalia Monroe Morgan Nicholas Pendleton Pleasants Pocahontas Preston Putnam Raleigh Randolph Ritchie Roane Summers Taylor Tucker Tyler Upshur Webster Wetzel Wyoming
United HealthCare Insurance Company, Inc.	H3616-001	For-Profit	Cincinnati, OH,KY,IN	Hamilton, OH
			Hamilton-Middleton, OH	Butler, OH
United HealthCare Insurance Company, Inc.	H3617-001	For-Profit	Cleveland-Loraine-Elyria, OH	Cuyahoga, OH
			Youngstown-Warren, OH	Mahoning, OH

1. Overview of Geographic Service Area and Medicare+Choice

The maps at the end of this section illustrate the service areas for the PPO demonstration MCOs within the Chicago and Kansas City regional offices. A number of states within these regions are highlighted: Illinois, Indiana, Ohio, Missouri, and Kansas.

Quite a number of M+C coordinated care plan (CCP) options currently exist for beneficiaries in the service areas for these PPO demonstration MCOs. In Illinois and Missouri, these include **United HealthCare of the Midwest (H2654)**; **Coventry (H2663)**; **Mercy Health Plans of Missouri (H2667)**; **Humana (H2649)**; **Coventry Healthcare of Kansas (H2672)**; **Health Alliance Medical Plan (H1463)**; **OSF Health Plans (H1468)**; and **Illinois Central Hospital Association (H1459)**, pending approval from CMS. A number of private FFS options are also participating in these areas, including **Sterling (H5006)**, **Humana (H1804)**, and **UniCare Health and Life (H0504)**. Although the Sterling private FFS plan has been enrolling beneficiaries for more than a year, the Humana plan has just been approved by CMS and has yet to even post premium and benefit plans in most areas. The UniCare private FFS plan is still pending approval with CMS. Medicare managed care penetration in the St. Louis MO-IL MSA is high (at 42.7 percent), although lower in Kansas City (17.5 percent) and near zero in many of the participating surrounding rural counties. Average county PIP-DCG scores (a measure of predicted health risk) are generally considerably lower than 1.0, indicating areas of relatively low predicted health care expenditures. MCOs in St. Louis and Missouri offer prescription drug benefits, although not generally at a zero premium.

One MCO, **Humana (H1406)**, has a CMS-pending health plan in Indiana. A private FFS option, **Sterling (H5006)**, is also available in the demonstration counties in Indiana. Medicare managed care penetration in Indiana is, however, currently at 0 percent. PIP-DCG scores in these counties are well below 1.0.

Demonstration counties in Ohio have a number of current M+C MCOs: **Coventry (H3673)**; **Health Plan of the Upper Ohio Valley (H5151)**, pending approval at CMS; **United HealthCare (H2406)**; **Community Insurance Company (H3655)**; **Qualchoice Health Plan (H3657)**; and **United HealthCare of Ohio (H3659)**. Medicare managed care penetration in these Ohio counties is moderate to high, hovering under 20 percent. Prescription drug benefits and zero premium options are common. Average county risk scores in general are below 1.0, with the exception of Jefferson County Ohio (at 1.0201) and the Cuyahoga (which includes Cleveland, at 1.0218).

In West Virginia, there are a number of MCOs: **Health Plan of the Upper Ohio Valley (H5102, H5105, and H5151)** and **Carelink (H5149)**. The private FFS option, **Sterling (H5006)**, participates in many counties in West Virginia. Medicare managed care penetration in these areas is generally very low with health risk as measured by PIP-DCG scores above 1.0.

The following summarizes the M+C options offered to beneficiaries in the MSA service area counties covered by the demonstration MCOs in the CMS Chicago and Kansas City regions. In the count of M+C MCOs offered in these MSA areas, we did not include special options such as “cost” HMOs or other demonstration options such as PACE, EverCare, and Social HMOs because these options may have limited new enrollments and/or special conditions on enrollment.

Medicare+Choice Option Summary: CMS Regions 5 and 7

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit ⁵	Number of MCOs Offering a “Zero Premium” Option ⁶	Range of 2003 Medicare County Payment Rates ⁷	Range of PIP-DCG County Risk Scores ⁸
Illinois/Missouri										
Bloomington-Normal, IL	2	2	17,488	1,576	9.0%	\$60–\$88	0	0	\$510.38	0.9511
Maclean	H1463 H1468	H1804 ⁹ H5006								
Columbia, MO	0	0	15,397	0	0%	—	0	0	\$510.38	0.9731
Boone										

¹Does not include cost reimbursed managed care options, demonstration MCOs (such as PACE, EverCare, and Social HMOs), or MCOs sponsored by employers and offering enrollment only to their retirees.

²Medicare eligibles in the counties specifically listed under the MSA. These figures do not reflect the totals for the MSA but rather the counties within this MSA in which a PPO demonstration is offered. Figures from the February 2003 HPMS.

³Medicare enrollees in the counties specifically listed under the MSA. These figures do not reflect the totals for the MSA but rather the counties within this MSA in which a PPO demonstration is offered. Figures from the February 2003 HPMS.

⁴Includes premiums from multiple benefit plans offered by a single MCO.

⁵Organizations offering a drug benefit to non-employer groups.

⁶Organizations offering a zero premium plan to non-employer groups.

⁷Based on the Medicare County Parts A and B Aged Rate Book.

⁸PIP-DCG is Principal In-Patient Diagnostic Cost Group.

⁹Pending approval.

Medicare+Choice Option Summary: CMS Regions 5 and 7 (continued)

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit ⁵	Number of MCOs Offering a "Zero Premium" Option ⁶	Range of 2003 Medicare County Payment Rates ⁷	Range of PIP-DCG County Risk Scores ⁸
Kansas City, MO-KS	2	0	161,102	28,272	17.5%	\$25–\$40	2	0	\$510.38– \$574.09	0.9826– 0.9946
Cass, MO	H2649									
Jackson	H2672									
Johnson										
Peoria-Pekin, IL	2	3	57,577	2,648	4.6%	\$60–\$88	0	0	\$564.10	0.9398– 0.9551
Peoria	H1463	H0540 ⁹								
Tazewell	H1468	H1804 ⁹								
Woodford		H5006								
Rockford, IL	0	3	47,636	11	0.0%	\$88	0	0	\$564.10	0.9328– 0.9629
Boone, IL		H0540 ⁹								
Winnebago		H1804 ⁹								
		H5006								
St. Louis, MO-IL	4	1	311,460	53,381	17.1%	\$0–\$88	3	2	\$564.10– \$616.37	0.9796– 1.0823
Clinton, IL	H1459 ⁹	H5006								
Madison	H2654									
Monroe	H2663									
St. Claire	H2667									
St. Louis, MO										
St. Louis City										
Franklin										
Jefferson										
Lincoln										
St. Charles										
Warren										
Indiana										
Fort Wayne, IN	1	1	44,638	0	0.0%	0	0	0	\$564.10	0.9329
Allen	H1406 ⁹	H5040 ⁹								
South Bend, IN	1	1	41,497	0	0.0%	0	0	0	\$564.10	0.9440
St. Joseph	H1406 ⁹	H5040 ⁹								

Medicare+Choice Option Summary: CMS Regions 5 and 7 (continued)

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit ⁵	Number of MCOs Offering a "Zero Premium" Option ⁶	Range of 2003 Medicare County Payment Rates ⁷	Range of PIP-DCG County Risk Scores ⁸
Ohio/West Virginia										
Charleston, WV Kanawha, WV	0	1 H5006	44,232	78	0.2%	\$88	0	0	\$564.10	0.9875
Cincinnati, OH,KY,IN Hamilton Clermont Warren	3 H2406 H3655 H3659	0	172,629	29,933	17.3%	\$0–\$80	3	3	\$564.10	0.9493– 0.9943
Cleveland-Loraine-Elyria, OH Cuyahoga	4 H2406 H3655 H3657 H3659	0	237,924	30,916	13.0%	\$0–\$80	2	2	\$616.81	1.0218
Cumberland, MD-WV Mineral, WV	0	0	4,094	0	0.0%	—	0	0	\$560.41	1.0658
Hamilton-Middleton, OH Butler	2 H3655 H3659	0	43,800	5,623	12.8%	\$0–\$80	1	2	\$564.10	0.9567
Huntington-Ashland, WV-KY-OH Cabell Wayne	0	1 H5006	27,420	338	0.1%	\$88	0	0	\$564.10	0.9916– 0.9917
Parkersburg-Marietta, WV-OH Wood, WV	0	1 H5006	16,670	5	0.0%	\$88	0	0	\$510.38	1.0273

Medicare+Choice Option Summary: CMS Regions 5 and 7 (continued)

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit ⁵	Number of MCOs Offering a "Zero Premium" Option ⁶	Range of 2003 Medicare County Payment Rates ⁷	Range of PIP-DCG County Risk Scores ⁸
Steubenville-Weirton, OH,WV Jefferson, OH Brooke, WV Hancock	5 H3673 H5102 H5105 ⁹ H5149 H5151 ⁹	0	28,455	2,045	7.2%	\$78–\$125	0	0	\$565.58– \$629.84	1.0108– 1.0322
Washington, DC-MD-VA-WV Berkeley, WV Jefferson		1 H5006	17,384	4	0.0%	\$88	0	0	\$564.10	0.9820– 0.9846
Wheeling, WV-OH Marshall, WV Ohio	4 H5102 H5105 ⁹ H5149 H5151 ⁹	1 H5006	16,767	3,929	23.4%	\$78–\$125	0	0	\$510.38	0.9975– 0.9990
Youngstown-Warren, OH Mahoning	3 H3655 H3659 H3673	0	51,755	11,895	23.0%	\$0–\$78	2	2	\$564.10	0.9741

2. PPO Benefit Packages

Nine PPO MCOs and multiple benefit packages are offered in this region. Monthly premiums vary from \$45 to \$95, and PPO MCOs in these areas are offering drug coverage. A few PPO plans in this area (including Advantage plans in most counties in Indiana, Coventry in Kansas and Missouri, and Anthem Blue Cross/Blue Shield) have not yet begun enrollment, and therefore benefit packages and premiums have yet to be determined.

PPO Demonstration Plan Benefits: CMS Regions 5 and 7

PPO Organization	H-Number and Identifier	Premium per Month	Inpatient Hospital In Network/ (Out of Network)	Outpatient Hospital In Network/ (Out of Network)	Primary Care Physician Co-Pay In Network/ (Out of Network)	Specialty Physician Co-Pay In Network/ (Out of Network)	Prescription Drug Benefit			
							Formulary Status	Pharmacy Co-pay	Mail Order Co-pay	Benefit Maximum
Illinois/Missouri										
Coventry	H1412-001	\$46	\$250 per day co-pay for days 1–5 (30% co-insurance)	\$200 co-pay or 20% co-insurance (30% co-insurance)	\$15 co-pay (30% co-insurance)	\$20 co-pay (30% co-insurance)	Formulary for generic and brand name drugs	\$15 co-pay for generics/\$40 for brand name at designated pharmacy (30-day supply)	\$30 for generics/\$80 for brand name drugs by mail order (90-day supply)	\$500 annual limit
Coventry (Employer Group)	H1412-801	\$34	\$250 per day co-pay for days 1–5 (30% co-insurance)	\$200 co-pay or 20% co-insurance (30% co-insurance)	\$15 co-pay (30% co-insurance)	\$20 co-pay (30% co-insurance)	No drug benefit			
Coventry	H1715-001	No premium or benefit information available								
Order of St. Francis	H1408-001	\$75	\$150 co-pay per stay (\$812 deductible)	\$0 co-pay (20% co-insurance for each Medicare covered service after \$100 deductible)	\$10 co-pay (20% co-insurance for each Medicare covered service after \$100 deductible)	\$15 co-pay (20% co-insurance for each Medicare covered service after \$100 deductible)	Generic drugs only	\$10 co-pay for designated pharmacy (30-day supply)	\$20 for mail order (90-day supply)	\$100 per month limit
United HealthCare	H1413-001	\$65	\$125 per day co-pay for days 1–15 (20% co-insurance)	15% co-insurance (20% co-insurance)	\$10 co-pay (20% co-insurance)	\$10 co-pay (20% co-insurance)	Generics only	\$12 co-pay for designated pharmacy (31-day supply)	\$36 for mail order (90-day supply)	\$500 annual limit

PPO Demonstration Plan Benefits: CMS Regions 5 and 7 (continued)

PPO Organization	H-Number and Identifier	Premium per Month	Inpatient Hospital In Network/ (Out of Network)	Outpatient Hospital In Network/ (Out of Network)	Primary Care Physician Co-Pay In Network/ (Out of Network)	Specialty Physician Co-Pay In Network/ (Out of Network)	Prescription Drug Benefit			
							Formulary Status	Pharmacy Co-pay	Mail Order Co-pay	Benefit Maximum
Indiana										
Advantage Health Solutions, Inc.	H1508-001	\$95	\$100 (20% co-insurance after \$100 deductible)	20% co-insurance (20% of Medicare approved amount)	\$10 co-pay (20% co-insurance)	\$10 co-pay (20% co-insurance)	Generics only	\$5 co-pay for designated pharmacy (31-day supply)	\$10 for mail order (90-day supply)	\$500 annual limit
Ohio/West Virginia										
Anthem	Pending Approval from CMS									
Coventry Health and Life Insurance Company	H3615-001	\$87	\$250 per stay	\$50 per visit (20% co-insurance)	\$15 co-pay (20% co-insurance)	\$15 co-pay (20% co-insurance)	Generics only	\$10 co-pay for designated pharmacy (30-day supply)	\$20 for mail order (90-day supply)	\$500 annual limit
Coventry Health and Life Insurance Company (Employer Group)	H3615-801	\$87	\$500 per stay	20% co-insurance (30% co-insurance)	\$20 co-pay (30% co-insurance)	\$20 co-pay (30% co-insurance)	No drug benefit			
United HealthCare	H3616-001	\$70	\$150 per day for days 1–12 (20% co-insurance)	10% co-insurance (20% co-insurance)	\$15 co-pay (20% co-insurance)	\$15 co-pay (20% co-insurance)	No drug benefit			
United HealthCare	H3617-001	\$74	\$175 per day for days 1–11 (20% co-insurance)	15% co-insurance (20% co-insurance)	\$10 co-pay (20% co-insurance)	\$25 co-pay (20% co-insurance)	Generics only	\$12 co-pay for designated pharmacy (31-day supply)	\$36 for mail order (90-day supply)	\$500 annual limit
United HealthCare	H3617-002	\$69	\$150 per day for days 1–11 (20% co-insurance)	15% co-insurance (20% co-insurance)	\$10 co-pay (20% co-insurance)	\$25 co-pay (20% co-insurance)	Generics only	\$12 co-pay for designated pharmacy (31-day supply)	\$36 for mail order (90-day supply)	\$500 annual limit

3. Payment Rates

Base payment rates for each PPO MCO are the same, varying only the counties included in the plan service area. The table below indicates both the current Medicare County Parts A and B Combined Aged Rate Book amount and the “99 percent” county rate calculated by the CMS Office of the Actuary. Due to some policy requirements of the 2003 Medicare County Rate Book (which is also the base payment amount that applied for all M+C plans competing in these counties), these Medicare county rates are in almost all cases higher than the 99 percent county rates.

Payment Rates Summary: CMS Regions 5 and 7

PPO Organization	H-Number and Identifier	Counties	Medicare County A+B Aged Rate 2003 ¹	99 Percent County A+B Aged Rate ²
Illinois/Missouri				
Coventry Health and Life Insurance Company, Inc.	H1412	Bond, IL	\$510.38	\$453.13
		Clinton	\$564.10	\$453.06
		Madison	\$564.10	\$499.26
		Monroe	\$564.10	\$465.89
		Randolph	\$510.38	\$453.95
		St. Claire	\$564.10	\$493.46
		St. Louis, MO	\$564.10	\$524.35
		St. Louis City	\$616.37	\$533.60
		Boone	\$510.38	\$464.59
		Callaway	\$510.38	\$452.22
		Cole	\$510.38	\$526.97
		Crawford	\$564.10	\$462.02
		Franklin	\$564.10	\$458.55
		Gasconde	\$510.38	\$404.51
		Jefferson	\$565.22	\$592.12
		Lincoln	\$564.10	\$527.42
		Montgomery	\$510.38	\$401.00
St. Charles	\$564.10	\$534.90		
St. Genevive	\$510.38	\$519.35		
Washington	\$510.38	\$477.43		

¹Figures from the 2003 Medicare County Parts A and B Combined Aged Rate Book, prepared and published by the CMS Office of the Actuary.

²Figures prepared by the CMS Office of the Actuary.

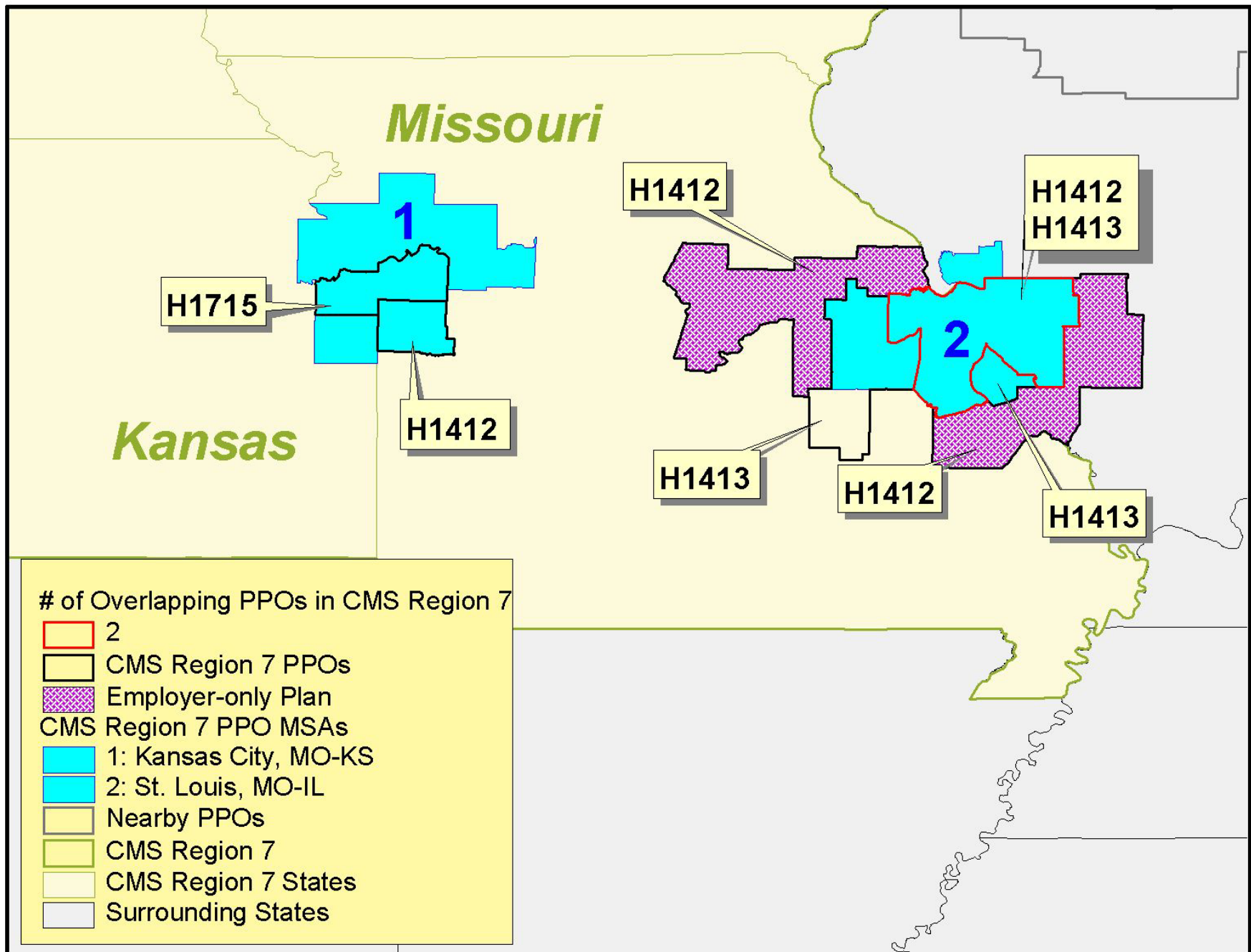
Payment Rates Summary: CMS Regions 5 and 7 (continued)

PPO Organization	H-Number and Identifier	Counties	Medicare County A+B Aged Rate 2003 ¹	99 Percent County A+B Aged Rate ²
Coventry Health and Life Insurance Company	H1715	Cass, MO	\$564.10	\$498.67
		Jackson	\$574.09	\$548.66
		Johnson	\$510.38	\$451.53
Order of St. Francis Health Plans	H1408	Boone, IL	\$564.10	\$453.87
		Winnebago	\$564.10	\$417.86
		Mclean	\$510.38	\$418.43
		Peoria	\$564.10	\$409.40
		Tazewell	\$564.10	\$423.51
		Woodford	\$564.10	\$374.99
		Knox	\$510.38	\$471.83
		Livingston	\$510.38	\$414.63
		Marshall	\$510.38	\$402.41
		Stark	\$510.38	\$439.95
United HealthCare Insurance Company, Inc.	H1413	Madison, IL	\$564.10	\$499.26
		Monroe	\$564.10	\$461.99
		St. Claire	\$564.10	\$493.46
		St. Louis	\$564.10	\$524.35
		St. Louis City	\$616.37	\$533.60
		Franklin	\$564.10	\$458.55
		Jefferson	\$565.22	\$592.12
		St. Charles	\$564.10	\$534.90
		Warren	\$564.81	\$492.44
		Crawford	\$564.10	\$462.02
Indiana				
Advantage Health Solutions, Inc.	H1508	Allen, IN	\$564.10	\$443.05
		St. Joseph	\$564.10	\$420.10

Payment Rates Summary: CMS Regions 5 and 7 (continued)

PPO Organization	H-Number and Identifier	Counties	Medicare County A+B Aged Rate 2003 ¹	99 Percent County A+B Aged Rate ²
Ohio/West Virginia				
Anthem Blue Cross/Blue Shield	Pending	Butler, OH	\$564.10	\$497.05
		Hamilton	\$564.10	\$473.21
		Clermont	\$564.10	\$496.51
		Warren	\$564.10	\$463.02
Coventry Health and Life Insurance Company	H3615	Jefferson, OH	\$568.77	\$627.45
		Barbour, WV	\$510.38	\$504.77
		Berkeley	\$564.10	\$469.94
		Boone	\$555.23	\$573.10
		Braxton	\$510.38	\$422.39
		Brooke	\$565.58	\$580.79
		Cabell	\$564.10	\$467.20
		Calhoun	\$510.38	\$474.16
		Clay	\$510.38	\$438.80
		Doddridge	\$510.38	\$528.41
		Fayette	\$535.94	\$635.74
		Gilmer	\$510.38	\$476.29
		Grant	\$510.38	\$410.29
		Greenbrier	\$510.38	\$475.98
		Hampshire	\$510.38	\$447.53
		Hancock	\$629.84	\$617.46
		Hardy	\$510.38	\$376.75
		Harrison	\$510.38	\$507.82
		Jackson	\$510.38	\$479.89
		Jefferson	\$564.10	\$484.63
		Kanawha	\$564.10	\$481.15
		Lewis	\$510.38	\$474.79
		Lincoln	\$510.38	\$488.60
		Logan	\$729.71	\$738.52
		McDowell	\$546.10	\$718.88
		Marion	\$510.38	\$473.99
		Marshall	\$510.38	\$557.03
		Mason	\$510.38	\$512.94
Mercer	\$522.22	\$574.25		
Mineral	\$560.41	\$608.86		
Mingo	\$633.46	\$726.73		
(continued next page)		Monongalia	\$548.82	\$513.40

PPO Organization	H-Number and Identifier	Counties	Medicare County A+B Aged Rate 2003 ¹	99 Percent County A+B Aged Rate ²
		Monroe, WV	\$510.38	\$439.28
		Morgan	\$510.38	\$424.10
		Nicholas	\$510.38	\$455.23
		Ohio	\$510.38	\$558.72
		Pendleton	\$510.38	\$408.36
		Pleasants	\$510.38	\$483.75
		Pocahontas	\$510.38	\$447.79
		Preston	\$510.38	\$468.60
		Putnam	\$564.10	\$550.88
		Raleigh	\$510.38	\$617.06
		Randolph	\$510.38	\$482.10
		Ritchie	\$510.38	\$428.65
		Roane	\$510.38	\$390.21
		Summers	\$510.38	\$486.48
		Taylor	\$510.38	\$471.92
		Tucker	\$510.38	\$376.08
		Tyler	\$510.38	\$438.28
		Upshur	\$510.38	\$379.88
		Wayne	\$564.10	\$455.40
		Webster	\$510.38	\$442.52
		Wetzel	\$510.38	\$445.02
		Wirt	\$510.38	\$475.33
		Wood	\$510.38	\$515.09
		Wyoming	\$515.20	\$637.54
United HealthCare Insurance Company, Inc.	H3616	Butler, OH	\$564.10	\$497.05
		Hamilton	\$564.10	\$473.21
United HealthCare Insurance Company, Inc.	H3617	Cuyahoga, OH	\$616.81	\$538.61
		Mahoning	\$564.10	\$510.66



CMS Region 9: San Francisco

In the CMS San Francisco region (which includes Arizona, California, Hawaii, and Nevada), the demonstration has four MCOs offering a PPO option: **Health Net Life Insurance Company (H0314)** in Arizona, **PacifiCare of Arizona (H0313)**, **PacifiCare of Nevada (H2903)**, and **PacifiCare Life (H0548)** in California. The MCOs in this CMS region cover a wide range of areas. The MCOs in Arizona and Nevada cluster around the following MSAs: Tucson, AZ; Phoenix/Mesa, AZ; and Flagstaff, AZ. Two MCOs (Health Net and PacifiCare) also include counties in the Las Vegas, AZ/NV MSA. Two non-MSA counties (Conchise and Gila in Arizona) are included in the Health Net service area. The PacifiCare PPO MCO operating in California covers both Los Angeles and Orange counties, two contiguous but highly populated areas. None of the PPO MCOs in this CMS region are offering products limited to employer groups. All of the organizations participating in the demonstration in this region are for-profit.

PPO Demonstration Plans: CMS Region 9

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
Arizona/Nevada				
Health Net Life Insurance Company	H0314-001	For-Profit	Tucson, AZ	Pima, AZ
Health Net Life Insurance Company	H0314-002	For-Profit	Phoenix/Mesa, AZ	Maricopa, AZ Pinal, AZ
Health Net Life Insurance Company	H0314-003	For-Profit	Flagstaff, AZ	Coconino, AZ
			Las Vegas, AZ/NV	Mohave, AZ
			Non-MSA counties	Conchise, AZ Gila
PacifiCare of Nevada	H0313-001	For-Profit	Phoenix/Mesa, AZ	Maricopa, AZ Pinal, AZ
PacifiCare of Nevada	H0313-002	For-Profit	Tucson, AZ	Pima, AZ
PacifiCare of Nevada	H2903-001	For-Profit	Las Vegas, AZ/NV	Clark, NV

PPO Demonstration Plans: CMS Region 9 (continued)

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
California				
PacifiCare Life of California¹	H0548-001	For-Profit	Los Angeles, Long Beach, CA	Los Angeles, CA
PacifiCare Life of California¹	H0548-002	For-Profit	Orange County, CA	Orange, CA

¹Due to begin enrollments in July 2003.

1. Overview of Geographic Service Area and Medicare+Choice

The map at the end of this section illustrates the service areas for the PPO demonstration MCOs within the San Francisco regional office area. Three states are highlighted: Arizona, California, and Nevada. No PPO MCOs are located in Hawaii. There is some overlap in the demonstration MCOs offered in this area with the participation of both Health Net and PacifiCare in the Phoenix/Mesa, Tucson, and Las Vegas areas. However, only Health Net is offering a PPO product in the northern, more rural part of Arizona with its inclusion of Coconino County in the Flagstaff MSA and the non-MSA counties of Conchise and Gila.

Only PacifiCare of California is offering a PPO in that state by including Los Angeles and Orange counties. This California plan, however, did not begin enrollments on January 1, 2003; enrollments for this plan are currently scheduled for July 2003 due to network development issues.

Six other MCOs are available to beneficiaries in the Phoenix/Mesa area: **Cigna (H0354)**, **HealthNet (H0351)**, **SunHealth (H0302)**, **PacifiCare (H0303)**, **Humana (H0307)**, and **Maricopa Integrated Health Systems (H0350)**. An additional MCO, **United HealthCare (H0315)** is pending approval and likely to enter the area. PacifiCare and HealthNet have also expanded into Pima County within the Tucson MSA. Among the non-demonstration MCOs, only **Sterling Life Insurance Company (H5006)** is offering an option in the Flagstaff and Mohave County areas of northern Arizona. However, on the Nevada side of the Las Vegas, AZ/NV MSA, **PacifiCare (H2949)** and **Health Plan of Nevada (H2931)** join Sterling in offering plans. In general, this Arizona/Nevada area offers beneficiaries a few zero premium plans, drug benefits, and the availability of the Sterling private FFS option (although this product

seems to always carry the highest premium in the area at \$88). Medicare managed care penetration is high, except in the more rural counties of northern Arizona. PIP-DCG scores, a measure of predicted health care expenditures, are extremely low (near 0.90), indicating areas of low financial risk due to health.

Beneficiaries residing in either Los Angeles or Orange County, California, have a wide range of Medicare managed care options. MCOs in this area are **California Physicians Blue Cross Blue Shield (H0504)**, **Aetna (H0523)**, **Kaiser (H0524)**, **Universal Care (H0538)**, **PacifiCare Secure Horizons (H0543)**, **Inter-Valley Health Plan (H0545)**, **HealthNet of CA (H0562)**, **Blue Cross of CA (H0564)**, and **UHP Health Care (H9016)**. An additional plan, **CareMore Insurance (H0544)**, is pending approval in this area. Among the most populous counties in the PPO demonstration, these California areas also exhibit high Medicare managed care penetration and higher risk scores. Both the prescription drug benefits and zero premium options are common.

The following table summarizes the M+C options offered to beneficiaries in the MSA service area counties covered by the single demonstration site in the CMS San Francisco region. In the count of M+C plans offered in these MSA areas, we did not include “cost” HMOs or other demonstration options such as PACE, EverCare, and Social HMOs because these options may have limited new enrollments and/or special conditions on enrollment.

Medicare+Choice Option Summary: CMS Region 9

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit	Number of MCOs Offering a "Zero Premium" Option	Range of 2003 Medicare County Payment Rates ⁵	Range of PIP-DCG County Risk Scores ⁶
Arizona/Nevada										
Flagstaff, AZ	0	1	13,311	0	0.0%	\$88	0	0	\$510.38	0.9185
Coconino		H5006								
Las Vegas, AZ/NV	2	1	215,952	27,143	12.6%	\$0–\$88	2	2	\$564.10– \$594.64	0.9144– 0.9298
Mohave, AZ Clark, NV	H2931 H2949	H5006								
Phoenix/Mesa, AZ	7	1	420,349	158,408	37.7%	\$0–\$88	6	1	\$591.25	0.9439– 0.9886
Maricopa Pinal	H0302 H0303 H0307 H0315 ⁷ H0350 H0351 H0354	H5006								
Tucson, AZ	3	1	135,884	45,781	33.7%	\$0–\$88	2	1	\$564.10	0.9606
Pima	H0303 H0315 H0351	H5006								

¹Does not include cost reimbursed managed care options, demonstration MCOs (such as PACE, EverCare, and Social HMOs), or MCOs sponsored by employers and offering enrollment only to their retirees.

²Medicare eligibles in the counties specifically listed under the MSA. These figures do not reflect the totals for the MSA but rather the counties within this MSA in which a PPO demonstration is offered. Figures from the February 2003 HPMS.

³Medicare enrollees in the counties specifically listed under the MSA. These figures do not reflect the totals for the MSA but rather the counties within this MSA in which a PPO demonstration is offered. Figures from the February 2003 HPMS.

⁴Includes premiums from multiple benefit plans offered by a single MCO.

⁵Based on the Medicare County Parts A and B Combined Aged Rate Book.

⁶PIP-DCG is Principal In-Patient Diagnostic Cost Group.

⁷Pending approval.

Medicare+Choice Option Summary: CMS Region 9 (continued)

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of MCOs Offering a Drug Benefit	Number of MCOs Offering a "Zero Premium" Option	Range of 2003 Medicare County Payment Rates ⁷	Range of PIP-DCG County Risk Scores ⁸
California										
Los Angeles, Long Beach, CA	10	0	1,051,434	302,615	28.8%	\$0–\$35	9	9	\$709.96	1.0899
Los Angeles	H0504 H0523 H0524 H0538 H0543 H0544 ⁷ H0545 H0562 H0564 H9016									
Orange County, CA	9	0	312,654	106,341	34.0%	\$0–\$35	8	8	\$653.29	0.9902
Orange	H0504 H0523 H0524 H0538 H0543 H0544 ⁷ H0562 H0564 H9016									

2. PPO Benefit Packages

Multiple benefit packages are offered by PPOs in this area. Prescription drugs are offered as an additional benefit at a higher premium.

PPO Demonstration Plan Benefits: CMS Region 9

PPO Organization	H-Number and Identifier	Premium per Month	Inpatient Hospital In Network/ (Out of Network)	Outpatient Hospital In Network/ (Out of Network)	Primary Care Physician Co-Pay In Network/ (Out of Network)	Specialty Physician Co-Pay In Network/ (Out of Network)	Prescription Drug Benefit			
							Formulary Status	Pharmacy Co-pay	Mail Order Co-pay	Benefit Maximum
Arizona/Nevada										
Health Net Life Insurance Company	H0314-001	\$94	\$250 maximum co-pay per admission; \$500 out of pocket limit per year	10% co-insurance; \$1000 annual max	\$10 co-pay	\$20 co-pay	No formulary for generics	\$10 for designated pharmacy (31-day supply)	\$20 for mail order pharmacy (93-day supply)	Unlimited generic drugs
			(\$750 co-pay per admission; no out of pocket maximum)	(20% co-insurance; \$2000 annual max)	(\$35 co-pay)	(\$35 co-pay)				
Health Net Life Insurance Company	H0314-002	\$144	\$250 maximum co-pay per admission; \$500 out of pocket limit per year	10% co-insurance; \$1000 annual max	\$10 co-pay	\$20 co-pay	No formulary for generics	\$10 for designated pharmacy (31-day supply)	\$20 for mail order pharmacy (93-day supply)	Unlimited generic drugs
			(\$750 co-pay per admission; no out of pocket maximum)	(20% co-insurance; \$2000 annual max)	(\$35 co-pay)	(\$35 co-pay)				
Health Net Life Insurance Company	H0314-003	\$174	\$250 maximum co-pay per admission; \$500 out of pocket limit per year	10% co-insurance; \$1000 annual max	\$10 co-pay	\$20 co-pay	No formulary for generics	\$10 for designated pharmacy (31-day supply)	\$20 for mail order pharmacy (93-day supply)	Unlimited generic drugs
			(\$750 co-pay per admission; no out of pocket maximum)	(20% co-insurance; \$2000 annual max)	(\$35 co-pay)	(\$35 co-pay)				

PPO Demonstration Plan Benefits: CMS Region 9 (continued)

PPO Organization	H-Number and Identifier	Premium per Month	Inpatient Hospital In Network/ (Out of Network)	Outpatient Hospital In Network/ (Out of Network)	Primary Care Physician Co-Pay In Network/ (Out of Network)	Specialty Physician Co-Pay In Network/ (Out of Network)	Prescription Drug Benefit			
							Formulary Status	Pharmacy Co-pay	Mail Order Co-pay	Benefit Maximum
PacifiCare of Nevada	H0313-001	\$75	\$0 co-pay (\$812 co-pay per admission for days 1–150)	10% co-insurance (30% co-insurance)	\$10 co-pay (30% co-insurance)	\$10 co-pay (30% co-insurance)	No formulary for generics	\$10 for designated pharmacy (30-day supply)	\$20 for mail order pharmacy (90-day supply)	Unlimited generic drugs
PacifiCare of Nevada	H0313-002	\$75	\$0 co-pay (\$812 co-pay per admission for days 1–150)	10% co-insurance (30% co-insurance)	\$10 co-pay (30% co-insurance)	\$10 co-pay (30% co-insurance)	No formulary for generics	\$10 for designated pharmacy (30-day supply)	\$20 for mail order pharmacy (90-day supply)	Unlimited generic drugs
PacifiCare of Nevada	H2903-001	\$55	\$0 co-pay (\$812 co-pay per admission for days 1–150)	10% co-insurance (30% co-insurance)	\$10 co-pay (30% co-insurance)	\$10 co-pay (30% co-insurance)	No formulary for generics	\$10 for designated pharmacy (30-day supply)	\$20 for mail order pharmacy (90-day supply)	Unlimited generic drugs
California										
PacifiCare Life of California¹	H0548-001	\$89	\$0 co-pay (\$812 co-pay per admission for days 1–150)	10% co-insurance; \$100 deductible (30% co-insurance plus \$100 deductible)	\$10 co-pay; \$100 deductible (30% co-insurance plus \$100 deductible)	\$10 co-pay; \$100 deductible (30% co-insurance plus \$100 deductible)	No formulary for generics	\$10 for designated pharmacy (30-day supply)	\$20 for mail order pharmacy (90-day supply)	Unlimited generic drugs
PacifiCare Life of California¹	H0548-002	\$89	\$0 co-pay (\$812 co-pay per admission for days 1–150)	10% co-insurance; \$100 deductible (30% co-insurance plus \$100 deductible)	\$10 co-pay; \$100 deductible (30% co-insurance plus \$100 deductible)	\$10 co-pay; \$100 deductible (30% co-insurance plus \$100 deductible)	No formulary for generics	\$10 for designated pharmacy (30-day supply)	\$20 for mail order pharmacy (90-day supply)	Unlimited generic drugs

¹Due to begin enrollments in July 2003.

3. Payment Rates

Base payment rates for each PPO MCO are the same, varying only the counties included in the plan service area. The table below indicates both the current Medicare County Parts A and B Combined Aged Rate Book amount and the “99 percent” county rate calculated by the CMS Office of the Actuary. Due to some policy requirements of the 2003 Medicare County Rate Book (which is also the base payment amount that applied for all M+C plans competing in these counties), these Medicare county rates are in almost all cases higher than the 99 percent county rates.

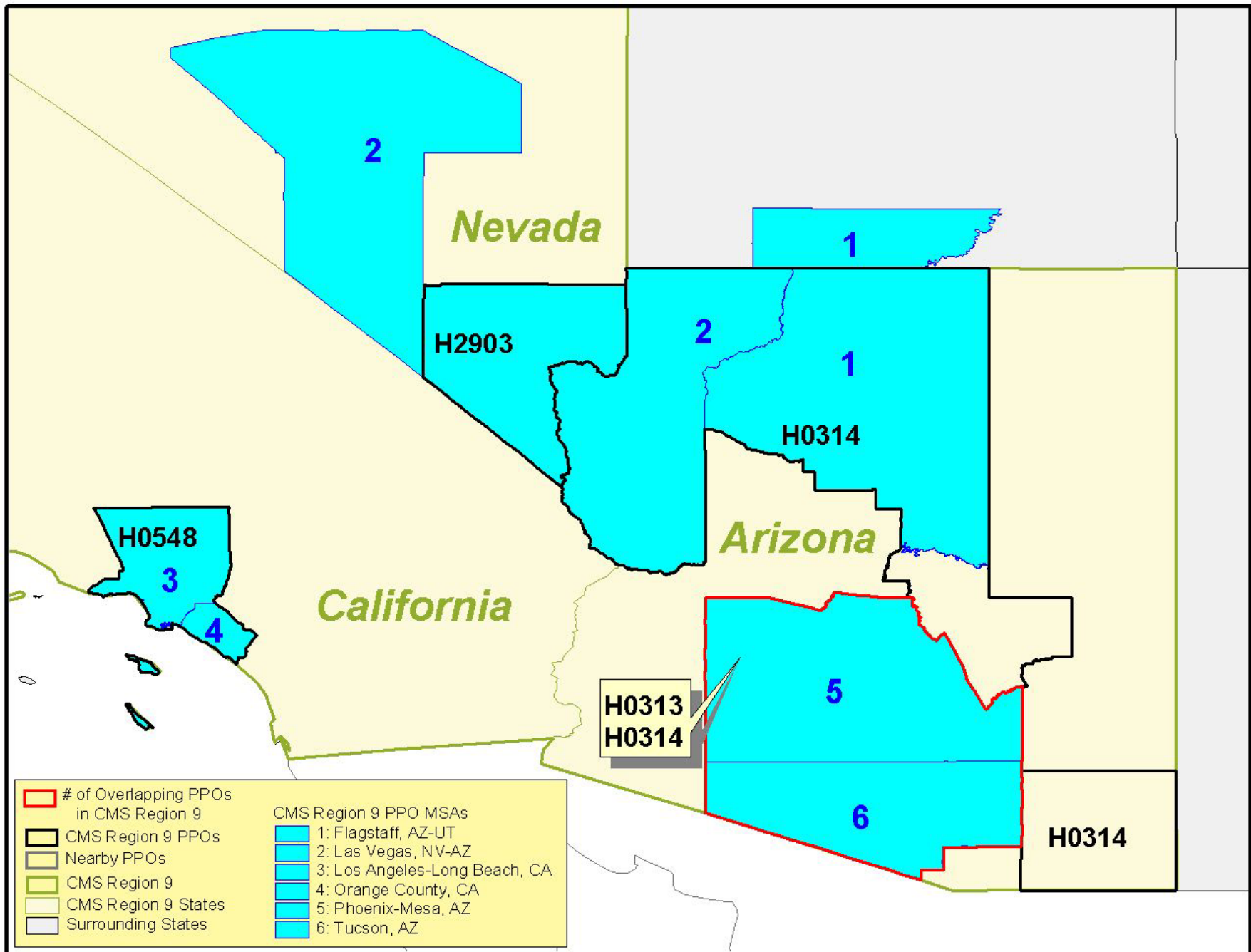
Payment Rates Summary: CMS Region 9

PPO Organization	H-Number and Identifier	Counties	Medicare County A+B Aged Rate 2003 ¹	99 Percent County A+B Aged Rate ²
Arizona/Nevada				
Health Net Life Insurance Company	H0314	Cochise	\$510.38	\$411.34
		Coconino	\$510.38	\$423.41
		Gila	\$539.04	\$475.47
		Maricopa	\$564.10	\$494.14
		Mohave	\$564.10	\$530.09
		Pima	\$564.10	\$446.59
		Pinal	\$591.25	\$507.41
PacifiCare of Nevada	H0313	Maricopa	\$564.10	\$494.14
		Pima	\$564.10	\$446.59
		Pinal	\$564.10	\$507.41
PacifiCare of Nevada	H2903	Clark	\$594.64	\$635.79
California				
PacifiCare Life of California³	H0548	Los Angeles	\$707.96	\$642.46
		Orange	\$653.29	\$625.17

¹Figures from the 2003 Medicare County Parts A and B Combined Aged Rate Book, prepared and published by the CMS Office of the Actuary.

²Figures prepared by the CMS Office of the Actuary.

³Due to begin enrollments in July 2003.



CMS Region 10: Seattle

In the CMS Seattle Region (which includes four states: Alaska, Idaho, Oregon, and Washington), the demonstration has one MCO offering a PPO option: **Health Net Life Insurance Company**. A single plan number (**H3806**) has been assigned to this two-state MCO. Health Net is a for-profit provider. The Health New Life Insurance Plan covers a wide geographic area, including the Corvallis (OR), Portland/Vancouver (OR-WA), Medford/Ashland (OR), Eugene (OR), and Salem (OR) MSAs. Several counties in this service area (Hood River, Josephine, and Linn Counties in Oregon) are not included in any MSA. The Health Net MCO is not offering products limited to employer groups in these areas.

PPO Demonstration Plans: CMS Region 10

PPO Organization	H-Number and Identifier	Profit or Non-Profit	MSA Area	Counties (organized by MSA area)
Washington/Oregon				
Health Net Life Insurance Company	H3806-001	For-Profit	Corvallis, OR	Benton
			Eugene, OR	Lane
			Medford/Ashland, OR	Jackson
			Portland/Vancouver, OR-WA	Clackamas Columbia Multnomah Washington Yamhill Clark (WA)
			Salem, OR	Marion Polk
			Non-MSA Counties	Hood River Josephine Linn

1. Overview of Geographic Service Area and Medicare+Choice

The map at the end of this section illustrates the service areas for the PPO demonstration MCOs within this Seattle regional office. Two states are highlighted: Oregon and Washington. No PPO MCOs are located in Alaska or Idaho.

In Oregon and Washington, there are no overlaps in the PPO service areas. Oregon contains most of **Health Net (H3806)**, which serves the following 13 counties in two geographically separate regions of the state: Benton, Clackamas, Columbia, Hood River, Lane, Linn, Marion, Multnomah, Polk, Washington, and Yamhill in the north and central part of the state; and Jackson and Josephine in the southern part of the state. Health Net also overlaps into Washington State and serves the contiguous Clark County, Washington, to the north. Major cities (Portland, Corvallis, Eugene, Salem, and Medford/Ashland in Oregon and Vancouver, Washington) are also highlighted. Much of the PPO service areas center in these MSAs, although PPO options are also available in the non-MSA counties of Hood River, Josephine, and Linn, Oregon.

Five other M+C MCOs currently exist for beneficiaries in these Oregon/Washington counties: **PacifiCare Secure Horizons (H3805)** and **Pacificare of Washington (H5005)**, **Regence HMO Oregon (H3856)**, **Central Oregon Independent Health Services (H3864)**, **Kaiser Foundation Health Plan of the NW (H9003)**, **Regence HMO Washington (H9047)**, and **Providence Health Plan (H9047)**. In addition, beneficiaries in this area have access to a private FFS plan: **Sterling Life Insurance Company (H5006)**. Although the Sterling private FFS plan is offered in this geographic area, there appears to be very little local enrollment. The M+C penetration rate in most of these MSA counties is high, indicating that this is an area with a strong managed care presence in the marketplace. The range of PIP-DCG scores, a rough estimate of the health care financial risk of beneficiaries in these MSA counties, are all lower than 1.0, indicating areas of lower than average predicted Medicare costs.

The following table is a summary of the M+C options offered to beneficiaries in the MSA service area counties covered by the single demonstration MCO in the CMS Seattle region. In the count of M+C plans offered in these MSA areas, we did not include “cost” HMOs or other demonstration options such as PACE, EverCare, and Social HMOs because these options may have limited new enrollments and/or special conditions on enrollment.

Medicare+Choice Option Summary: CMS Region 10

MSA	Number of M+C MCOs ¹	Number of Private FFS Options	Number of Medicare Eligibles ²	Number of Managed Care Enrollees ³	M+C Penetration Rate	Range of Premium Costs (per month) ⁴	Number of Organizations Offering a Drug Benefit	Number of Organizations Offering a "Zero Premium" Option	Range of 2003 M+C County Payment Rates ⁵	Range of PIP-DCG County Risk Scores ⁶
Washington/Oregon										
Corvallis, OR	4	1	8732	2590	29.7%	\$45–\$93	1	0	\$510.38	0.9139
Benton	H3805 H9003 H9047	H5006								
Eugene, OR	1	1	51,861	5970	11.5%	\$45–\$184	0	0	\$564.10	0.9202
Lane	H3807	H5006								
Medford/Ashland, OR	0	1	34,303	2	0.0%	\$88	0	0	\$510.38	0.931
Jackson		H5006								
Portland, OR/ Vancouver, WA	7	1	237,002	104,621	44.1	\$45–\$184	1	0	\$564.10	0.9019– 0.9687
Clark, WA	H3805	H5006								
Clackamas, OR	H3856									
Columbia	H3864									
Multnomah	H5005									
Washington	H9003									
Yamhill	H9047									
Salem, OR	4	1	52,002	21,191	42.7%	\$45–\$184	1	0	\$564.10	0.922–0.9365
Marion	H3805	H5006								
Polk	H3856									
	H9003									
	H9047									

¹Does not include cost reimbursed managed care options, demonstration MCOs (such as PACE, EverCare, and Social HMOs), or MCOs sponsored by employers and offering enrollment only to their retirees.

²Medicare eligibles in the counties specifically listed under the MSA. These figures do not reflect the totals for the MSA but rather the counties within this MSA in which a PPO demonstration is offered. Figures from the February 2003 HPMS.

³Medicare enrollees in the counties specifically listed under the MSA. These figures do not reflect the totals for the MSA but rather the counties within this MSA in which a PPO demonstration is offered. Figures from the February 2003 HPMS.

⁴Includes premiums from multiple benefit plans offered by a single MCO.

⁵Based on the Medicare+Choice Aged Demographic Rate book.

⁶PIP-DCG is Principal In-Patient Diagnostic Cost Group.

2. PPO Benefit Packages

There is a single PPO benefit package offered for the Health Net MCOs in Oregon and Washington, with a monthly premium of \$80.00. This premium amount is within the range of premiums for other M+C MCOs offered in these counties. Unlike the PPO plans offered in many other areas, the plan in this geographic region offers no additional drug coverage.

PPO Demonstration Plan Benefits: CMS Region 10

PPO Organization	H-Number and Identifier	Premium per Month	Inpatient Hospital In Network/ (Out of Network)	Outpatient Hospital In Network/ (Out of Network)	Primary Care Physician Co-Pay In Network/ (Out of Network)	Specialty Physician Co-Pay In Network/ (Out of Network)	Prescription Drug Benefit			
							Formulary Status	Pharmacy Co-pay	Mail Order Co-pay	Benefit Maximum
Washington/Oregon										
Health Net Life Insurance Co.	H3806-001	\$80	\$100 annual deductible (\$250 annual deductible plus 30% coinsurance)	\$100 annual deductible (\$250 annual deductible plus 30% coinsurance)	\$10 co-pay (\$35 co-pay)	\$10 co-pay (\$35 co-pay)	No Additional Drug Benefit			

3. Payment Rates

The base payment rates for each PPO MCO are the same, varying only the counties included in the plan service area. The table below indicates both the current M+C county A+B demographic rate book amount and the “99 percent” county rate calculated by the CMS Office of the Actuaries. Due to some policy requirements of the 2003 M+C county rate book (which is also the base payment amount that applied for all M+C plans competing in these counties), these M+C rates are in almost all cases higher than the 99 percent county rates.

Payment Rates Summary: CMS Region 10

PPO Organization	H-Number and Identifier	Counties	M+C County A+B Aged Rate 2003 ¹	99 Percent County A+B Aged Rate ²
Washington/Oregon				
Health Net Life Insurance Company	H3806	Benton	\$510.38	\$390.21
		Clackamas	\$564.10	\$410.31
		Columbia	\$564.10	\$433.63
		Hood River	\$564.10	\$326.81
		Jackson	\$510.38	\$464.62
		Josephine	\$510.38	\$452.34
		Lane	\$564.10	\$557.80
		Linn	\$510.38	\$510.71
		Marion	\$564.10	\$445.54
		Multnomah	\$564.10	\$397.37
		Polk	\$564.10	\$436.15
		Washington	\$564.10	\$410.71
		Yamhill	\$564.10	\$537.38
		Clark	\$564.10	\$405.10

¹Figures from the 2003 Medicare+Choice demographic rate book, prepared and published by the CMS Office of the Actuary.

²Figures prepared by the CMS Office of the Actuary.

