60.1 - MA Contracts are Automatically Renewed (Rev. 83; Issued: 04-25-07; Effective/Implementation Dates: 04-25-07)

The MA contracts are automatically renewed from term-to-term unless either CMS or the MAO provides notice of the intent to non-renew or terminate the contract at the end of the current term. Renewal of a contract is dependent on CMS and the MAO reaching agreement on the bid submitted by the MAO. Additional contract provisions or changes for subsequent years will be incorporated via an addendum to the original contract, as necessary.

CMS will notify each MA organization of its decision whether to authorize the renewal of its MA contract, along with applicable appeal rights, by May 1 of the current contract year.

NOTE: CMS annually issues a call letter specifying information concerning the contract renewal process. For information for 2007 contracts, view our call letter at http://www.cms.hhs.gov/HealthPlansGenInfo. The call letter includes the HPMS plan crosswalk which specifies MA plan renewal guidelines and operational instructions by

designating the relationships between plans offered in 2006 to those being offered in

2007.