

70.3 - Nonrenewal of MA Contract: CMS-Initiated

(Rev. 79, Issued 02-17-06, Effective Date 02-17-06)

CMS may elect not to authorize renewal of an MA contract. CMS must notify the MA organization of its intent to nonrenew by May 1 of the contract year, except in the event of paragraph (d), below, in which case notice will be sent by September 1. Reasons for CMS non-renewal of a contract include the following:

- a. The MA organization has not fully implemented or shown discernable progress in implementing quality improvement projects;
- b. For any of the same reasons that CMS would terminate a contract;
- c. The MA organization has committed any of the acts that would support imposition of intermediate sanctions or civil money penalties; or
- d. The MA organization did not submit a benefit and price bid or the benefit and price bid was not acceptable.

