

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850



MEDICARE PARTS C AND D OVERSIGHT AND ENFORCEMENT GROUP

September 20, 2022

Mr. Timothy Noel
Chief Executive Officer
UnitedHealthcare of Midlands, Inc.
9800 Health Care Lane
Minnetonka, MN 55343

Re: Notice of Release Enrollment Suspension for Medicare Advantage-Prescription Drug
Contract Number H3464

Dear Mr. Noel:

On September 2, 2021, the Centers for Medicare & Medicaid Service (CMS) imposed an enrollment suspension on UnitedHealthcare of Arkansas, Inc. n/k/a UnitedHealthcare of the Midlands, Inc. (“UHC Midlands”) Medicare Advantage-Prescription Drug Plan contract H3464 for contract year (CY) 2022. The sanctions were imposed because UHC Midlands failed to maintain a Medical Loss Ratio (MLR) of at least 85% required by section 1857(e)(4) of the Social Security Act (“the Act”) and made applicable to Medicare Part D contracts through section 1860D-12(b)(3)(D) of the Act. Section 1857(e)(4)(B) of the Act, implemented at 42 C.F.R. §§ 422.2410(c) and 423.2410(c) states that when organization fails for three or more years to meet the 85% threshold, CMS must suspend that organization’s ability to accept new enrollments in the plans it offers under the non-compliant contract after the second succeeding contract year after the organization failed to meet the minimum MLR requirement.

On July 11, 2022, UHC Midlands reported an MLR above 85%, thereby meeting the minimum MLR requirement for CY 2021. As a result, UHC Midlands is no longer in violation of CMS requirements and CMS is releasing the enrollment suspension for contract H3464 effective January 1, 2023. Additionally, CMS will allow UHC Midlands to offer plans under contract H3464 to new beneficiaries during the CY 2023 Annual Election Period (AEP), which will be held between October 15, 2022 and December 7, 2022.

UHC Midlands may be subject to enrollment suspensions in the future if UHC Midlands reports an MLR below 85% for contract H3464 for another three consecutive years, pursuant to sections 1860D-12(b)(3)(D) and 1857(e)(4)(B) of the Act and 42 C.F.R. §§ 422.2410(c) and 423.2410(c). If you have any questions about this notice, please call or email the enforcement contact provided in your email notification.

Sincerely,

/s/

John A. Scott
Director
Medicare Parts C and D Oversight and Enforcement Group

cc: Jennifer Shapiro, CMS/CM/MPPG
Kevin Stansbury, CMS/CM/MOEG/DCE
Brenda Suiter, CMS/OPOLE
Deanna Gee, CMS/OPOLE
Gilbert Lara, CMS/OPOLE
Nicole Edwards, CMS/OPOLE