



INSTRUCTIONS FOR THOSE PERSONS WHO WISH TO OPERATE A MEDICARE PRESCRIPTION DRUG PLAN (PDP) IN OHIO

Title I of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, commonly referred to as the Medicare Modernization Act (MMA) created requirements for a new type of organization called Prescription Drug Plans (PDP). The base requirement for Contracts with PDP sponsors also requires State licensure as a risk bearing entity in the jurisdictions where the entity proposes to serve Medicare beneficiaries, or a Federal waiver from State licensure.

The Centers for Medicare and Medicaid Services (CMS) has set up 34 PDP regions in the United States and a map outlining these regions can be found at the following link:

<http://www.cms.hhs.gov/medicarereform/mmaregions/pdpmap/pdpmap.asp>.

CMS has made the entire State of Ohio a single region. Ohio will be region 14 and a PDP is required to provide coverage for the entire region in which it operates.

Those persons who wish to operate as a PDP in Ohio and who seek to become licensed under Ohio law shall apply using the primary Uniform Certificate of Authority Application (UCAA) process. Applicants can find this application at the following link: <http://www.naic.org/ucaa>. Companies not currently licensed shall include in their primary UCAA application for licensure a notice that they intend to market as a PDP.

Companies granted a license or that are currently licensed must notify the Department in writing at least 30 days prior to marketing as a PDP. This notification should include three (3) years of financial projections, which shall include: balance sheets with RBC, income statements, and cash flow projections. The Department also reserves the right to request additional information.