

Medicare Managed Care Manual
Chapter 2 - Medicare Advantage Enrollment and Disenrollment

Summary of Updates – June 20, 2007

Chapter Section	Update
Throughout Chapter	<ol style="list-style-type: none"> 1. General typos/edits, syntax, verb tense changes, etc. 2. Changed 7 business day time frame to 10 calendar day, 10 business days to 14 calendar days, 1 business day to 3 calendar days, 3 business days to 5 calendar days and 5 business days to 7 calendar days (exception: disenrollment for disruptive behavior) 3. Changes in terminology for referencing employer/union groups
TOC	<ol style="list-style-type: none"> 1. Reflect changes to section numbers, section deletions and additions 2. 20.4.1 changed from “Alternate” to “Optional”
10	<ol style="list-style-type: none"> 1. For definition of Completed Election, deleted reference to RRB and OPM 2. For definition of Completed Election, deleted reference to 3 day grace period for verification of Medicare entitlement 3. For definition of Evidence of Medicare Part A and Part B Coverage, deleted reference to 3 day grace period for verification of Medicare entitlement. Deleted list of examples of evidence of Medicare entitlement 4. For definition of Receipt of Election, added information regarding auto/facilitated enrollment, enrollment via internet, group enrollment and optional employer/union election mechanism and moved all examples to definition of Application Date, clarifying that application date is the date the enrollment request is initially received by the organization 5. For definition of Application Date, clarified that this is the date the enrollment request is initially received by the organization (see #4 above) 6. For definition of Completed Election, clarified that individuals who were involuntarily disenrolled for failure to pay premiums need to request enrollment during a valid enrollment period in order to re-enroll in that plan, or enroll into another. 7. For definition of institutionalized individual, changed statutory reference for psychiatric hospital to §1861(f) 8. In text the box at the beginning of section, added reference to special needs plans for clarity 9. For definition of Completed Election, deleted reference to SSA premium withhold
20	Clarified that organizations may not impose any additional eligibility requirements as a condition of enrollment other than those established by CMS in this guidance.
20.1	<ol style="list-style-type: none"> 1. Clarified that enrollment request is incomplete until organization obtains evidence of Medicare entitlement 2. Deleted reference to obtaining entitlement information, as this is addressed in 40.2
20.11	<ol style="list-style-type: none"> 1. Clarified that (LIS) or Medicaid status flag in CMS systems are not acceptable for initial or ongoing Medicaid eligibility verification 2. Added that dual SNPs must confirm ongoing eligibility at least as often as state agency conducts redetermination of Medicaid status

20.4.1	<ol style="list-style-type: none"> 1. Clarified that this mechanism replaces “paper” enrollment form 2. Clarified that this mechanism is available to unions, as well as to employers
20.4.3 – 20.4.6	Deleted these sections (and references throughout Chapter), as they are duplicative of sections 40.1.3 – 40.1.7
20.8	Deleted reference to “risk” members
30	Added L-OEP to list of enrollment periods
30.2.1	<ol style="list-style-type: none"> 1. Clarified that MA organizations should submit enrollment transaction as IEP if applicant has both ICEP and IEP available 2. Added information regarding IEP for Part D in cases of retroactive Medicare entitlement determinations
30.3	<ol style="list-style-type: none"> 1. Clarified that OEP limitation (can’t pick up or drop Part D) does not apply to OEPI elections 2. Inserted additional language into OEP chart to clarify election options 3. Clarified that MAOs must deny OEP requests for voluntary disenrollment from MA-PD plans 4. Clarified that creditable coverage is not Part D coverage
30.3.1	<ol style="list-style-type: none"> 1. Previous Section 30.3.2 moved to 30.3.1 2. Deleted references to 2006 and remaining content moved to introductory section (30.3).
30.3.2	<ol style="list-style-type: none"> 1. Previous Section 30.3.3 moved to 30.3.2 2. Clarified that the quantity limit described in 30.3 (OEP elections) does not apply to OEPI elections
30.3.3	Content moved to 30.3.2. Inserted new content for L-OEP
30.4	<ol style="list-style-type: none"> 1. Added reference to §40.2.2 for confirmation of SEP eligibility 2. Deleted “Full benefit” from “dual eligible” as SEP is for full and partial dual eligible individuals 3. Added that some SEPs permit enrollment in an MA plan 4. Deleted reference to “complete” election having to be submitting within SEP time frame 5. Clarified that individuals using an SEP to enroll must meet all applicable MA eligibility requirements 6. Updated SEP chart to reflect updates to SEPs
30.4.1	Deleted reference to “complete” election having to be submitting within SEP time frame
30.4.2	<ol style="list-style-type: none"> 1. Deleted reference to “complete” election having to be submitting within SEP time frame 2. Added that CMS may determine retroactive enrollment is warranted
30.4.3	Deleted reference to “complete” election having to be submitting within SEP time frame
30.4.4	<ol style="list-style-type: none"> 1. Deleted #15 (SEP for individuals affected by Hurricanes Katrina, Rita or Wilma) 2. Under #5, clarified effective date of enrollments under SEP for dual eligibles 3. Changed #12 to provide ongoing SEP to individuals who have LIS because they have SSI or applied at SSA. Also added SEP for individuals who lose LIS 4. Clarified that employer/union or MA organization, not just an EGHP, are able to receive elections made under the SEP EGHP 5. Under #1 (SEP EGHP), deleted reference to “complete” election having to be

	<p>submitting within SEP time frame</p> <p>6. Under #3, #7, deleted reference to “complete” election having to be submitting within SEP time frame</p> <p>7. Under #10, clarified that SEP begins the month the individual’s special needs status changes and ends the earlier of when beneficiary makes an election or 3 months after expiration of the period of deemed continued eligibility</p> <p>8. Under #9, added SEP for individuals disenrolling from a cost plan who also had the cost plan optional supplemental Part D benefit</p>
30.4.5	Clarified that the IEP referenced here is the IEP for Part B
30.5	<ol style="list-style-type: none"> 1. Added L-OEP to effective date chart 2. For clarity, added “enrollment” to third column in chart
30.6	Deleted reference to RRB
30.7	<ol style="list-style-type: none"> 1. Deleted note about cancellation of MSA elections, as this is included in Section 60.2.1 2. Added reference to L-OEP 3. Deleted reference to “reason” for disenrollment as a factor in establishing the effective date of disenrollment from MSA plan when using SEP 4. Added that individuals may use SEP EGHP to enroll in an employer/union sponsored MSA plan
40	<ol style="list-style-type: none"> 1. Added “plan” to “model selection form” to be consistent with Exhibit 3a 2. Added reference to group enrollment process for employer or union sponsored plans following the reference to auto- and facilitated enrollments 3. Deleted reference to §20.4.7, as this section has been deleted 4. Deleted references to specific year for “Special Rule for AEP” and added example for “application date” 5. Clarified that organizations must provide required notices based on either the weekly or monthly TRR, whichever contains the earliest notification 6. Clarified that organization must issue either acknowledgement notice, denial notice or request for information within 10 calendar days of receipt of enrollment request.
40.1.1	Added reference to new Exhibit 1b (model MSA enrollment form)
40.1.2	<ol style="list-style-type: none"> 1. Added “Mechanism” to section header 2. Clarified that “paper” enrollment form not required 3. Clarified that this mechanism is available to unions, as well as to employers 4. Clarified that “application date” is first day of the month prior to the effective date of enrollment into the employer/union sponsored plan.
40.1.3	<ol style="list-style-type: none"> 1. Clarified that electronic records of enrollment must be in a format that is easily reproduced and that data extract alone is not acceptable 2. Clarified that Medicare OEC date stamp serves as the application date
40.1.4	Deleted parenthetical “unless otherwise approved by CMS” under first bullet
40.1.6	<ol style="list-style-type: none"> 1. Deleted previous guidance dealing exclusively with auto-enrollment and replaced with guidance for both auto and facilitated enrollment processing 2. Revised auto-enrollment for MAOs – beneficiaries in RDS or employer-sponsored MA-only plans must affirmatively consent to enrollment in MA-PD 3. Clarified that organizations offering MA-only PFFS plans must exclude from auto/facilitated enrollment individuals enrolled in a stand-alone PDP

	4. Clarified that individuals in MA-only PFFS plans may be auto/facilitated enrolled into either MA-PD or PDP, if offered
40.1.7	Deleted separate section for facilitated enrollment and combined into 40.1.6
40.1.8	<ol style="list-style-type: none"> 1. Clarified that MAOs are responsible for ensuring that group enrollment process meets MA enrollment requirements and that arrangements with employers/unions make such requirements clear 2. Added that receipt date is the first day of the month prior to the effective date of the group enrollment 3. Changed advanced notice requirement from 30 to 15 calendar days prior to the effective date of the beneficiary's enrollment in the employer/union sponsored MA plan
40.2	<ol style="list-style-type: none"> 1. Under item "F" changed "Enrollee" to "Applicant" 2. Changed section title to "Processing" instead of "Completing" the enrollment "request" 3. Deleted definition of enrollment request receipt date for auto/facilitated enrollment, enrollment via internet and optional employer/union election mechanism, as this information is contained in the §10 (Definitions) 4. Under item "B" deleted reference to 3 day grace period for verification of Medicare entitlement and added reference to use of BEQ in lieu of requiring applicant to provide evidence of Medicare entitlement 5. Under item "K" deleted reference to RRB and OPM 6. Corrected reference to Optional Employer/Union MA Enrollment Election Mechanism from 40.1.1 to 40.1.2 7. Under item "N" deleted reference to disclosure of creditable coverage 8. Changed item "M" – Premium Withhold Option – to provide required language for all enrollment mechanisms regarding premium payment options 9. Under item "H" changed "Signature Dates" to "Enrollment Requests"
40.2.1	Changed section title to "Who May Complete An Enrollment or Disenrollment Request"
40.2.2	<ol style="list-style-type: none"> 1. Clarified that additional documentation to make enrollment request complete must be received within 21 calendar days, or the end of the applicable enrollment period (whichever is later). 2. Deleted reference to obtaining entitlement information, as this is addressed in 40.2 3. Clarified that additional information must be requested within ten calendar days of receipt of enrollment request
40.2.3	Clarified that denial notices must be issued within ten calendar days of receipt of enrollment request (up front denials) or expiration of time frame for receipt of requested additional information
40.2.5	<ol style="list-style-type: none"> 1. Added that organizations have 10 calendar days to contact applicant upon receipt of TRC 127 and applicant has 30 calendar days to respond. 2. Added that organizations are encouraged to monitor outreach efforts and to follow up with applicant before the 30 day period ends 3. Added that contact described in #2 is not required when an employer/union sponsored MAPD plan is replacing RDS plan offered by same employer/union
40.3	Revised time frame for transmission of enrollments to CMS from 14 to 7 calendar days for enrollments effective 1/1/08 or later. Deleted note that was included in

	previous update to provide advance notice of the change.
40.4	Clarified that required notices must be issued within ten calendar days of availability of the weekly or monthly transaction reply report, whichever contains the earliest notification
40.4.1	<ol style="list-style-type: none"> 1. Changed “evidence of health insurance coverage” to “proof of health insurance coverage” 2. Added requirement that proof include 4Rx data 3. Deleted reference to ID card, as this is described in marketing guidance
40.4.2	<ol style="list-style-type: none"> 1. Changed reference to “exception” from 40.4.3 to 40.4 2. Clarified that notification of acceptance/rejection of enrollment is required within ten calendar days of availability of the weekly or monthly transaction reply report, whichever contains the earliest notification of the acceptance/rejection 3. Added that MAO is strongly encouraged to call member as soon as possible (within 1-3 calendar days) of effective date if materials will not be received by effective date 4. Clarified requirements for providing materials when enrollment request is received late in month and effective date is first of next month
40.7	<ol style="list-style-type: none"> 1. For MSA plan enrollments, clarified requirements for receipt of banking and account information before the enrollment can be considered complete 2. Added that MAOs must determine validity of reject for hospice or Medicaid
50.1	<ol style="list-style-type: none"> 1. Clarified that MAOs must deny OEP requests for voluntary disenrollment from MA-PD plans 2. Added enrollment in another plan as disenrollment option
50.1.2	Added that written disenrollment requests that are missing a signature may be confirmed by telephone
50.1.5	Clarified that this mechanism is available to unions, as well as employers
50.1.6	Changed advanced notice requirement from 30 to 21 calendar days prior to the effective date of the beneficiary’s disenrollment from the employer/union sponsored MA plan
50.2.1	<ol style="list-style-type: none"> 1. Clarified that visitor/traveler programs are features of coordinated care plans 2. Clarified that MA-PFFS plans may allow continued enrollment of individuals absent from the plan service area for up to 12 months
50.2.1.1	Clarified at #8 that incarcerated MA-PD enrollees are considered out of area and must be disenrolled
50.2.1.3	<ol style="list-style-type: none"> 1. Clarified that organizations are not required to contact incarcerated individuals but must confirm out-of-area status 2. Changed “MBD” to “CMS systems”
50.2.3	Clarified that organizations may not submit disenrollment transactions to CMS in response to the apparent death of a member
50.2.5	<ol style="list-style-type: none"> 1. Clarified that individuals enrolled in a disproportionate share SNP are not involuntarily disenrolled upon expiration of the period of deemed continued eligibility 2. Changed reference to CMS “granting” a SEP to a beneficiary being “eligible” for a SEP 3. Added reference to SEP for loss of SNP status at 30.4.4 #10 4. Clarified that organization cannot change premium, benefits or cost sharing and

	<p>must continue coverage of any supplemental benefits during period of deemed continued eligibility</p> <p>5. Added reference to Chapter 1 of MMCM for additional SNP information</p>
50.3.1	<p>1. Revised content per 3/23/07 memo to MA organizations and Part D sponsors (cannot disenroll for non-payment of premium if individual elects premium withhold and CMS has not rejected the withhold request)</p> <p>2. Clarified that individuals whose SPAP (or other payer) is paying Part D premium on their behalf may not be disenrolled unless organization has coordinated premium payment with SPAP</p> <p>3. Added that plans with a grace period of greater than one month have until 15 calendar days after the premium due date to issue a delinquency notice</p> <p>4. Changed “Optional Exception for Dual Eligible Individuals” to “Optional Exception for Dual-Eligible Individuals and Individuals who Qualify for the Low Income Subsidy”</p> <p>5. Added that grace period cannot begin until individual has been notified of (billed for) premium amount</p>
50.4.1	For disenrollments effective 12/31/07 or later, revised time frame for transmission of enrollments to CMS from 14 to 7 calendar days. Deleted note that was included in previous update to provide advance notice of the change.
50.4.2	Created new Section 50.4.3 and moved information previously included in 50.4.2 to 50.4.3. 50.4.2 now contains information regarding the processing of incomplete disenrollment requests, including allowing follow up by telephone for unsigned requests
50.6	Changed reference from 50.4.2 to 50.2.4
50.7	Revised and reformatted section to more clearly describe Option 1 and Option 2
60.1	<p>1. Changed “month” to “enrollment period”</p> <p>2. Added reference to exception at 40.2.2 regarding establishing the application date when additional information obtained after end of enrollment period</p> <p>3. Removed reference to §40.1.6, as auto-assignment is not covered in this section</p> <p>4. Revised to indicate that multiple enrollment requests received in same processing cycle with same application date and effective date will not reject; first one successfully processed by CMS will take effect; deleted out-of-date information</p> <p>5. Revised examples to illustrate how multiple requests will be processed</p> <p>6. Deleted reference to unsigned paper enrollment forms</p>
60.4	<p>1. Clarified situations in which retroactive enrollment is supported</p> <p>2. Clarified documentation requirements</p>
60.5	Clarified situations in which retroactive disenrollment is supported
60.6	<p>1. Change “makes the election” to “completes the election”</p> <p>2. Change “should” to “must” to indicate that MAO’s agreement with EGHP must</p>
60.6.1	<p>1. Clarify that effective date of EGHP enrollments cannot be prior to date beneficiary completed the election</p> <p>2. Clarify that Transaction Code 60 is to be used only for retroactive enrollment into an EGHP due to the employer’s delay in forwarding the completed enrollment request to the MA organization</p>
60.7	New section containing information on UI TRCs and communications with beneficiaries. Changed current section number from 60.7 to 60.8

60.8	Changed section number to 60.9
60.9	Deleted current content, inserted information currently contained in §60.8
Appendices/ Exhibits	
Appendix 1	Added entries for new exhibits 1b (MSA election form)
Appendix 2	<ol style="list-style-type: none"> 1. Changed item #2 from “if included” to “if applicable” 2. Added footnote to item #14 to indicate that selection defaults to direct pay when applicant fails to indicate a preference 3. Deleted #30 & #31 – creditable coverage (removed from enrollment form) 4. Added new item #31, proof that MSA bank account established (MSA plans only) 5. Deleted #14 – Plan premium payment option 6. Footnote #10 – corrected reference to Employer/Union Group MA enrollment elections to §40.1.7
Notices – general	<ol style="list-style-type: none"> 1. Added reference to 1-800-MEDICARE being available 24 hours a day/7days a week 2. Use term “creditable prescription drug coverage (as good as Medicare’s)” 3. Add “late enrollment” wherever term “penalty” is used
Exhibit 1	<ol style="list-style-type: none"> 1. Clarified that zero premium MA plans should omit “Your Plan Premium” section 2. Clarified that SSN is optional item on enrollment form 3. Added “Not Eligible” option to “Office Use Only” text box 4. Deleted question regarding creditable coverage 5. Updated “Release of Information” 6. Revised plan premium section 7. For MA-only plans, added statement of understanding regarding potential for late enrollment penalty
Exhibit 1a	Added statements for SPAP members, individuals leaving a long term care facility, individuals returned to U.S., individuals losing LIS and individuals enrolled in Original Medicare
Exhibit 1b	New exhibit - MSA enrollment form
Exhibit 2	<ol style="list-style-type: none"> 1. Clarified that SSN is optional item on enrollment form 2. Deleted “the name of chosen” (extraneous) 3. Added “Not Eligible” option to “Office Use Only” text box 4. Deleted question regarding creditable coverage 5. For #4, changed “PDP plan” to “plan name” 6. For MA-only plans, added statement of understanding regarding potential for late enrollment penalty 7. Updated “Release of Information”
Exhibit 3	<ol style="list-style-type: none"> 1. Clarified that zero premium MA plans should omit “Your Plan Premium” section 2. Added “Not Eligible” option to “Office Use Only” text box 3. Updated “Release of Information” 4. Revised plan premium section
Exhibit 3a	<ol style="list-style-type: none"> 1. Changed “May 15” to “December 31” 2. Clarified that zero premium MA plans should omit “Your Plan Premium” section 3. Added reference to OEP 4. Deleted “benefit” from “plan benefit selection form” (2nd paragraph)

	5. Revised plan premium section
Exhibit 4	Deleted reference to premium withhold; added reference to direct bill
Exhibit 4a	Deleted reference to premium withhold; added reference to direct bill
Exhibit 4b	1. Changed reference from 40.4.3 to 40.4 2. Deleted reference to premium withhold; added reference to direct bill
Exhibit 4c	New model notice for L-OEP Enrollment Requests Into MA-Only Plans (other than PFFS)
Exhibit 4d	New model notice to acknowledge receipt of completed PFFS enrollment election
Exhibit 6	1. Deleted reference to premium withhold 2. Added information regarding OEP and AEP
Exhibit 6a	Deleted reference to premium withhold
Exhibit 6c	New exhibit - Model Notice to Confirm PFFS Enrollment
Exhibit 9	1. Added note for MSA plans regarding recoupment of MSA deposit amounts prorated for balance of year 2. Inserted additional language to clarify options during AEP and OEP 3. Inserted additional language to clarify that disenrollment request is necessary only if individual is disenrolling to Original Medicare
Exhibit 11	1. Added note for MSA plans regarding recoupment of MSA deposit amounts prorated for balance of year 2. Add reference to 50.1.4 3. Added model language for MA-only plans
Exhibit 12	Added note for MSA plans regarding recoupment of MSA deposit amounts prorated for balance of year
Exhibit 12a	Changed reference from 40.2.3 to 50.1.4
Exhibit 13	Added note for MSA plans regarding recoupment of MSA deposit amounts prorated for balance of year
Exhibit 19	1. Clarified that individuals may contact SHIP for information regarding Medigap policies 2. Changed third paragraph to “optional”
Exhibit 23	Added two additional model public notices for closing enrollment
Exhibit 27	1. Changed exhibit name 2. Clarified that PPO plan enrollees are not locked in, as are coordinated care plan enrollees 3. Clarified that individuals who have other types of prescription drug coverage should check with provider of this coverage to ensure that enrollment in Medicare drug plan won’t negatively affect this coverage
Exhibit 27a	New exhibit - MA-PFFS Model Notice to Inform Full-Benefit Dual Eligible Member of Auto-Enrollment in PDP
Exhibit 27b	New exhibit - MA Model Notice to Inform Full-Benefit Dual Eligible Member with Employer Coverage or RDS
Exhibit 28	1. Changed exhibit name 2. Clarified that PPO plan enrollees are not locked in, as are coordinated care plan enrollees 3. Clarified that individuals who have other types of prescription drug coverage should check with provider of this coverage to ensure that enrollment in Medicare drug plan won’t negatively affect this coverage

Exhibit 28a	New exhibit - MA Model Notice to Inform Member of Facilitated Enrollment into PDP
Exhibit 29	Changed exhibit name to account for combination of auto/facilitated enrollment sections
Exhibit 30	New Exhibit - Model notice for enrollment status update (For use with Transaction Reply Codes (TRC) from User Interface (UI) changes)