

Medicare Managed Care Manual

Chapter 2 - Medicare Advantage Enrollment and Disenrollment

Update: June 20, 2007

This guidance update represents final CMS policy and is effective for contract year 2008, including all enrollments with an effective date on or after January 1, 2008. Please note that Special Election Period (SEP) expansions (such as the expanded SEP for low-income subsidy individuals) are effective immediately upon release of this new guidance. Additionally, organizations should ensure that their notices to confirm auto and facilitated enrollment contain the important updates regarding possible reimbursement of drug costs during retroactively enrolled periods, and the impact of their Part D enrollment on other existing prescription drug coverage. Organizations may implement other aspects of this guidance before the required implementation date.

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10 - Definitions

For Chapter 2, a reference to an “MA plan” includes MA local plans, MA Regional Preferred Provider Organization (PPO) plans and MA-PD plans (*including special needs plans*), unless otherwise specified.

The instructions provided in this chapter apply to MA plans, including MA-PD plans. Instructions for enrollment (and disenrollment) in a Prescription Drug Plan (PDP) *or an 1876 cost plan* are provided in a separate guidance.

The following definitions relate to topics addressed in this *guidance*.

Application Date – For paper enrollment forms and other enrollment election mechanisms, the *application date* is the date the enrollment request is *initially* received by the organization.

- *For requests sent by mail, the application date is the date the application is received by the plan.*
- *For requests received by fax, the application date is the date the fax is received on the organization’s fax machine.*
- *For requests submitted to sales agents, including brokers, the application date is the date the agent/broker receives (accepts) the enrollment request. For purposes of enrollment, receipt by the agent or broker employed by or contracting with the plan, is considered receipt by the plan.*
- *For requests accepted by approved telephonic enrollment mechanisms, the application date is the date of the call. The call must have followed the approved script, included a clear statement that the individual understands he or she is requesting enrollment, and have been recorded.*
- *For requests made via the Medicare.gov Online Enrollment Center (OEC), the application date is the date CMS “stamps” on the enrollment request at the time the individual completed the OEC process. This is true regardless of when a plan ultimately retrieves or downloads the request.*
- *For internet enrollment requests made directly to the plan’s website, the application date is the date the request is completed through the plan’s website process. This is true regardless of when a plan ultimately retrieves or downloads the request.*
- *For the Optional Employer/Union MA Election Mechanism, as described in §40.1.2, the application date of elections made in this manner will be first day of the month prior to the effective date of enrollment into the employer/union sponsored plan. This will ensure that any subsequent beneficiary-generated enrollment request will supersede the enrollment submitted by the employer or union.*
- *For group enrollments into employer or union sponsored plans, as described in §40.1.7, the application date is the first day of the month prior to the effective date of the group enrollment. This will ensure that any subsequent*

beneficiary-generated enrollment request will supersede the group enrollment in CMS systems.

- *For auto- or facilitated enrollment, as described in §40.1.6, the application date is the first day of the month prior to the effective date of the auto/facilitated enrollment. This will ensure that any subsequent beneficiary-generated enrollment request will supersede the auto- or facilitated enrollment in CMS systems.*

Cancellation of Election - An action initiated by the beneficiary to cancel an election before the effective date of the election. A cancelled election has not been used and remains available for use during the applicable election period.

Completed Election - An election is considered complete when:

1. The form/request is signed by the beneficiary or legal representative (refer to §40.2.1 for a discussion of who is considered to be a legal representative), or the election mechanism is completed;
2. For enrollments, evidence of entitlement to Medicare Part A and enrollment in Medicare Part B is obtained by the Medicare Advantage organization (see below for definition of “evidence of Medicare Part A and Part B coverage”);
3. All necessary elements on the form are completed (for enrollments, see Appendix 2 for a list of elements that must be completed) or when the election mechanism is completed as CMS directs, and, when applicable;
4. Certification of a legal representative’s authority to make the election is obtained by attestation (refer to §40.2.1).

If an individual is involuntarily disenrolled for failure to pay premiums, to re-enroll in that plan, or enroll into another, he or she would need to request enrollment during a valid enrollment period. In addition, for enrollments into an MA-only (non MA-PD) plan, an MA organization may also choose to wait for the individual’s payment of the plan premium, including any premiums due the MA organization for a prior enrollment before considering an enrollment “complete.”

Continuation Area/Continuation of Enrollment Option - A continuation area is an additional CMS-approved area outside the MA local plan’s service area within which the MA organization furnishes or arranges for furnishing of services to the MA local plan’s continuation of enrollment members. MA organizations have the option of establishing continuation areas for MA local plans.

Conversions - For individuals who are enrolled in a health plan offered by the MA organization the month immediately before the month of their entitlement to Medicare Parts A and B, their enrollment in an MA plan offered by the same organization is referred to as a “conversion” from non-Medicare status to MA enrollee status. In order for the individual’s enrollment with the organization as an MA enrollee to take effect upon becoming eligible for Medicare, conversions must take place during the individual’s Initial Coverage Election Period (ICEP).

Denial of Election - Occurs when an MA organization determines that an individual is not eligible to make an election (e.g., the individual is not entitled to Medicare Part A or enrolled in Part B, the individual has ESRD, the individual is not making the election during an election period, etc.), and therefore determines it should not submit the election transaction to CMS.

Election - Enrollment in, or voluntary disenrollment from, an MA plan or the traditional Medicare fee-for-service program (“Original Medicare”) constitutes an election. (Disenrollment from Original Medicare would only occur when an individual enrolls in an MA plan.) The term “election” is used to describe either an enrollment or voluntary disenrollment. If the term “enrollment” is used alone, however, then the term is used deliberately, i.e., it is being used to describe only an enrollment, and not a disenrollment. The same applies when the term “disenrollment” is used alone, i.e., the term is being used to describe only a disenrollment, and not an enrollment.

Election Form - An election mechanism used by individuals to request to enroll in, or disenroll from, MA plans. A model individual enrollment form is provided in [Exhibit 1](#). **An individual who is a member of an MA plan and who wishes to elect another MA plan, even if it is in the same MA organization, must complete a new election to enroll in the new MA plan.** However, that individual may use a short enrollment form (refer to [Exhibit 3](#)) or a “plan selection” form (refer to [Exhibit 3a](#)) to make the election in place of the comprehensive individual enrollment form, or, may complete the election via the Internet, as described in §40.1.3 of this *guidance*, or by telephone, as described in §40.1.4 of this *guidance*, if the MA organization offers these options. In addition, MA organizations may want to collaborate with *Employer/Union Group Health Plans* (EGHPs) (*see definition below*) to use a single enrollment form (or other CMS approved method, if available) for EGHP members; a model EGHP enrollment form for this purpose is provided in [Exhibit 2](#). Beneficiaries or their legal representatives must complete an enrollment election mechanism (e.g. enrollment form) to enroll in an MA plan.

Beneficiaries are not required to use a specific form to disenroll from an MA plan; however, a model disenrollment form is provided in [Exhibit 10](#).

Election Period - The time(s) during which an eligible individual may elect an MA plan or Original Medicare. The type of election period determines the effective date of MA coverage. There are several types of election periods, all of which are defined under [§30](#).

Evidence of Medicare Part A and Part B Coverage - For the purposes of completing an enrollment election, the MA organization *must verify Medicare entitlement for all enrollment requests using either the Batch Eligibility Query (BEQ) process or MARx online query (M232 screen). Therefore, the applicant is not required to provide evidence of entitlement to Medicare Part A and enrollment in Part B with the enrollment request.*

If CMS systems do not show Medicare entitlement, the organization may consider the individual’s Medicare ID card as evidence of Medicare entitlement.

Evidence of Permanent Residence - A permanent residence is normally the enrollee’s primary residence. An MA organization may request additional information such as voter’s registration records, driver’s license records, tax records, and utility bills to verify

the primary residence. Such records must establish the permanent residence address, and not the mailing address, of the individual.

Full-Benefit Dual Eligible Individual – For purposes of Medicare Prescription Drug benefits (Part D), is a Medicare beneficiary who is determined eligible by the state for medical assistance for full benefits under title XIX of the Social Security Act for the month under any eligibility category covered under the State plan or comprehensive benefits under a demonstration under section 1115 of the Act, or medical assistance under section 1902(a)(10)(C) of the Act (medically needy) or section 1902(f) of the Act (States that use more restrictive eligibility criteria than are used by the SSI program) for any month if the individual was eligible for medical assistance in any part of the month.

Institutionalized Individual - An individual who resides in an institution, such as a:

- Skilled nursing facility (SNF) as defined in §1819 of the Act (Medicare);
- Nursing facility (NF) as defined in §1919 of the Act (Medicaid);
- Intermediate care facility for the mentally retarded (ICF/MR) as defined in §1905(d) of the Act;
- Psychiatric hospital or unit as *referred to* in §1861(f) of the Act;
- Rehabilitation hospital or unit as defined in §1886(d)(1)(B) of the Act;
- Long-term care hospital as defined in §1886(d)(1)(B) of the Act; or
- Hospital which has an agreement under §1883 of the Act (a swing-bed hospital).

Involuntary Disenrollment - Refers to when an MA organization, as opposed to the member, initiates disenrollment from the plan. Procedures regarding involuntary disenrollment are found in §§50.2 and 50.3.

Medicare Advantage Organization (MA organization) - Refer to Chapter 1 (General *Provisions*) for a definition of an “MA organization.”

MA Organization Error - An error or delay in election processing made under the full control of the MA organization personnel and one that the organization could have avoided.

Medicare Advantage Plan - Refer to Chapter 1 for a definition of “MA plan.” Elections are made at the **MA plan level**, not at the **MA organization level**.

Other Low Income Subsidy (LIS) Eligible Individuals – For purposes of Medicare Part D benefits, individuals who are determined eligible for the Part D low-income subsidy (LIS) who are not full-benefit dual eligible individuals as defined above. This includes individuals deemed eligible for LIS by virtue of having QMB-only, SLMB-only, QI, SSI-only; as well as those who apply and are determined eligible for LIS.

Out-of-Area Members - Members of an MA plan who live outside the service area and who elected the MA plan while residing outside the service area (as allowed in §§20.0, 20.3, 50.2.1, and 50.2.4).

Receipt of Election - *MA organizations may receive elections through various means, as described in §40.1 for enrollment requests and in §50.1 for disenrollment requests.*

The MA organization must date as received all *elections* as soon as they are initially received. *As described in the definition of Application Date (above), this date will be used to determine the election period in which the request was made, which in turn will determine the effective date of the request.*

Reinstatement of Election - An action that may be taken by CMS to correct an erroneous disenrollment from an MA plan. The reinstatement corrects an individual's records by canceling a disenrollment to reflect no gap in enrollment in an MA plan. A reinstatement may result in retroactive disenrollment from another Medicare managed care plan.

Rejection of Election - Occurs when CMS has rejected an election submitted by the MA organization. The rejection could be due to the MA organization incorrectly submitting the transactions, to system error, or to an individual's ineligibility to elect the MA plan.

Special Needs Plan – Medicare Advantage coordinated care plans that serve the special needs of certain groups of individuals including; institutionalized individuals (as defined by CMS), those entitled to Medical Assistance under a State Plan under Title XIX and other chronically ill or disabled beneficiaries as provided by CMS.

System Error - A “system error” is an unintended error or delay in election processing that is clearly attributable to a specific Federal government system (e.g., *Social Security Administration (SSA) system*, Railroad *Retirement Board* (RRB) system), and is related to Medicare entitlement information or other information required to process an election.

20 - Eligibility for Enrollment in MA Plans

In general, an individual is eligible to elect an MA plan when each of the following requirements is met:

1. The individual is entitled to Medicare Part A and enrolled in Part B, provided that he/she will be entitled to receive services under Medicare Part A and Part B as of the effective date of coverage under the plan (see exceptions described under §20.6);
2. The individual has not been medically determined to have ESRD prior to completing the enrollment election (see exceptions described under §20.2);
3. The individual permanently resides in the service area of the MA plan (see exceptions in §20.3 for persons living outside the service area at the time of election);
4. The individual or his/her legal representative completes an enrollment election and includes all the information required to process the enrollment or meets alternative conditions for enrollment specified by CMS (refer to Appendix 2 for a list of items required to complete the enrollment form, and §40.2.1 for who may sign election forms or complete other election mechanisms);

5. The individual is fully informed of and agrees to abide by the rules of the MA organization that were provided during the election process; and
6. The individual makes a valid election during an election period, as described in §30;
7. For a Special Needs Plan (SNP) additional requirements apply as described in §20.11 of this *guidance*.

An MA organization may not impose any additional eligibility requirements as a condition of enrollment other than those established by CMS in this guidance.

An MA organization must not deny enrollment to otherwise eligible individuals covered under an employee benefit plan. If the individual enrolls in an MA plan and continues to be enrolled in his/her employer/*union* or spouse's *group* health benefits plan, then coordination of benefits rules apply.

An MA eligible individual may not be enrolled in more than one MA plan at any given time. Procedures for handling multiple transactions, cancellations, and reinstatements are described under §60.3.

Individuals enrolled in an MA plan may not concurrently enroll in a PDP except for individuals enrolled in a Medicare MSA plan or individuals enrolled in a PFFS plan that does not offer Medicare prescription drug coverage. An individual enrolled in an MA PFFS plan that does not include a Part D benefit may enroll in a PDP, even if under the same MA contract the organization offers another PFFS plan that includes a Part D benefit.

20.1 - Entitlement to Medicare Parts A and B

To be eligible to elect an MA plan, an individual must be entitled to Medicare Part A and enrolled in Part B, and must be entitled to Medicare Part A and Part B benefits as of the effective date of coverage under the plan. Exceptions for Part B-only “grandfathered” members are outlined in §20.6. Part B only individuals currently enrolled in a plan created under §1833 or §1876 of the Social Security Act (the Act) are not considered to be “grandfathered” individuals, and must purchase Medicare Part A through the Social Security Administration to become eligible to enroll in an MA plan.

An MA organization has the option to continue to offer Part A-equivalent coverage to Medicare Part B-only “grandfathered” members, as described in §20.6. However, an MA organization may not offer Part A-equivalent coverage to other individuals enrolled only in Medicare Part B (and not entitled to Part A) in order to make them “eligible” for enrollment in an MA plan. Eligibility requirements are met based on Part A entitlement through Medicare and not through the purchase of Part A-equivalent benefits through the MA organization. The MA organization may refer the individual to SSA if the individual wishes to enroll in Medicare Part A in order to be eligible to enroll in the MA plan.

20.2 - End-Stage Renal Disease (ESRD)

Except as provided under exceptions discussed below, an individual is not eligible to elect an MA plan if he/she has been medically determined to have ESRD. ESRD means that stage of kidney impairment that appears irreversible and permanent and requires a regular course of dialysis or kidney transplantation to maintain life. A Medicare beneficiary will be assigned ESRD status by the Medicare ESRD system as a result of the attending physician certifying the ESRD status of the enrollee and completing a CMS Form CMS-2728-U3. For purposes of MA eligibility, an individual's ESRD status begins:

- The date regular dialysis begins, as reported on the Form CMS-2728-U3; or
- The month an individual is admitted to a hospital for a kidney transplant, or for health care services needed before a transplant if the transplant takes place in the same month or within the two following months; or
- The first day of the month dialysis began if the individual trained for self-dialysis.

An individual who receives a kidney transplant and who no longer requires a regular course of dialysis to maintain life is not considered to have ESRD for purposes of MA eligibility. Such an individual may elect to enroll in a MA plan, if he/she meets other applicable eligibility requirements. If an individual is only eligible for Medicare on the basis of ESRD (i.e., not based on disability or age), the individual would only be permitted to remain enrolled as an MA enrollee during his or her remaining months of Medicare eligibility.

In addition, an individual who initiated dialysis treatments for ESRD, but subsequently recovered native kidney function and no longer requires a regular course of dialysis to maintain life is not considered to have ESRD for purposes of MA eligibility. Such an individual may also elect to enroll in a MA plan, if he/she meets other applicable eligibility requirements.

The MA organization is permitted to ask at the time of the election whether the applicant has ESRD. This question is not considered impermissible health screening since the law does not permit a person with ESRD to elect an MA plan, except as provided in the following paragraphs. If a beneficiary no longer requires regular dialysis or has had a successful transplant, the beneficiary should obtain a note or records from the beneficiary's physician showing that the ESRD status has changed and submit it with the enrollment election. An MA organization must deny enrollment to any individual medically determined to have ESRD, except as provided in the following paragraphs. The CMS will reject the enrollment if Medicare records indicate the applicant has ESRD, and no exception permitting enrollment applies.

Procedures for identifying whether an individual is medically determined to have ESRD are included in [§40.2.4](#).

20.2.1 - Background on ESRD Entitlement

When an individual files for Medicare based upon ESRD, entitlement can begin:

- The first day of the third month after the month dialysis begins (i.e., the first day of the fourth month of dialysis);
- The first day of the month dialysis began if the individual trains for self-dialysis;
- The month an individual is admitted to a hospital for a kidney transplant, or for health care services needed before a transplant if the transplant takes place in the same month or within the two following months;
- Up to 12 months prior to the month of filing (if dialysis began more than 12 months before); or
- Prospectively.

The Medicare entitlement date is usually the month an individual receives a transplant or three months after the month the individual begins dialysis (i.e., the first day of the fourth month of dialysis). For example, if an individual begins dialysis in January, Medicare entitlement is effective April 1. Therefore, for these individuals, the initial coverage election period (ICEP) would be the time between when dialysis begins and the Medicare entitlement date - the 3-month waiting period for Medicare entitlement.

There are individuals who are approved to perform **self-dialysis**. If an individual is approved for self-dialysis, SSA will waive the 3-month waiting period to begin Medicare entitlement. In cases of self-dialysis, Medicare entitlement is effective the month dialysis begins, rather than the customary 3 months from the month the individual begins dialysis.

EXAMPLE

A Medicare record is established in January for an April 1 entitlement effective date. Since the individual has 3-month waiting period waived, SSA submits a changed record for a January 1 Medicare entitlement effective date.

Medicare pays nothing until the individual files for benefits and Medicare coverage becomes effective.

Individuals sometimes elect a prospective effective date to coordinate with the end of their 30-month coordination period. In the case of an **individual in a group health plan**, the group plan is required to be the primary payer for the first 30 months of Medicare eligibility or entitlement (also known as the 30-month coordination of benefits period), as long as the individual chooses to be enrolled in the group health plan. There is nothing to require an individual to file for Medicare immediately upon starting dialysis. The group health plan is primary during the coordination of benefits period, without regard to the number of individuals employed and irrespective of current employment status.

Since an ICEP generally relates to when an individual becomes entitled to Medicare Part A and B, when possible the group or MA organization should coordinate with the individual so that he/she will not be adversely impacted if he/she has the option to elect an MA plan.

20.2.2 - Exceptions to Eligibility Rule for Persons Who Have ESRD

1. Conversions upon ICEP: Individuals who developed ESRD while a member of a health plan offered by an MA organization and who are converting to Medicare Parts A and B, can elect an MA plan in the same organization (within the same State, with exceptions) as their health plan during their ICEP. (“Conversion” is defined in [§10](#) and the time frames for the ICEP are covered in [§30.2](#).) The individuals must meet all other MA eligibility requirements and must fill out an election form or complete an alternate enrollment election to join the MA plan.
2. Conversions other than ICEP:
 - (a.) If a Medicare entitlement determination is made retroactively, an individual has not been provided the opportunity to elect an MA plan during his/her ICEP. Therefore, these individuals will be allowed to prospectively elect an MA plan offered by the MA organization, as long as they were enrolled in a health plan offered by the same MA organization the month before their entitlement to Parts A and B, developed ESRD while a member of that health plan, and are still enrolled in that health plan. This would also be allowed in cases when there is an administrative delay and the entitlement determination is not made timely. For example, an individual who performs self-dialysis will have his/her entitlement date adjusted to begin at the time of dialysis, rather than the customary 3-month period **after** dialysis begins.

These individuals will be given a special election period. See [§30.4.4](#) for additional instructions.
 - (b.) Individuals who develop ESRD while enrolled in a health plan (e.g., a commercial or group health plan, or a Medicaid plan) offered by the MA organization are eligible to elect an MA plan offered by that organization. In order to be eligible, there must be no break in coverage between enrollment in the health plan offered by an MA organization, and the start of coverage in the MA plan offered by the same organization.
3. An individual who elects an MA plan and who is medically determined to first have ESRD **after** the date on which the enrollment form is signed (or receipt date stamp if no date is on the form, per [§40.2](#)), or the election is made by alternate means provided by CMS, but **before** the effective date of coverage under the plan is still eligible to elect the plan.
4. An individual who develops ESRD while enrolled in an MA plan may continue to be enrolled in the MA plan.
5. Once enrolled in an MA plan, a person who has ESRD may elect other MA plans in the same MA organization (and during allowable election periods, as described under [§30](#)). However, the member would not be eligible to elect an MA plan in a different MA organization or a plan in the same MA organization in a different State (with exceptions).

6. An individual with ESRD whose enrollment in an MA plan was terminated on or after December 31, 1998, as a result of a contract termination, non-renewal, or service area reduction can make one election into a new MA plan. The individual must meet all other MA eligibility requirements, and must enroll during an MA election period described in §30, which includes the SEP associated with that specific termination, non-renewal or service area reduction. Once an individual has exhausted his one election, he/she will not be permitted to join another MA plan, unless his new plan is terminated.
7. Individuals with ESRD may enroll in an SNP that has obtained a waiver to be open for enrollment to individuals with ESRD.

20.2.3 - Optional Employer/*Union* Group Waiver for ESRD Enrollees

The MA organizations may choose to accept enrollees with ESRD who are enrolling in an MA plan through an employer or union group under the following circumstances:

1. If an employer or union group offers an MA plan as a new option to its employees and retirees, regardless of whether it has been an option in the past, *beneficiaries with ESRD who are otherwise eligible* may select this new MA plan option as the employer or union's open enrollment rules allow.
2. If an employer or union group that has been offering a variety of coverage options consolidates its employee/retiree offerings (i.e., it drops one or more plans), current enrollees of the dropped plans may be accepted into an MA plan that is offered by the group.
3. If an employer or union group has contracted locally with an MA organization in more than one geographic area (for example, in two or more states), *beneficiaries with ESRD* who relocates permanently from one geographic location to another may remain with the MA organization in the local employer or union MA plan.
4. *If an employer or union group beneficiary with ESRD ages into Medicare, he/she may enroll in an employer or union sponsored MA plan regardless of prior commercial coverage.*

In order to accommodate these *four* scenarios, we are waiving the regulations at 42 CFR 422.50(a)(2).

The MA organizations that choose to apply this waiver must agree to apply it consistently. Each year, MA organizations may choose whether or not to apply this waiver at the time of their renewal.

20.3 - Place of Permanent Residence

An individual is eligible to elect an MA plan if he/she permanently resides in the service area of the MA plan. For purposes of enrollment in a Part D plan, incarcerated individuals are to be considered as residing out of the plan service area, even if the correctional facility is located within the plan service area. A temporary move into the

MA plan's service area does not enable the individual to elect the MA plan; the MA organization must deny such an election.

EXCEPTIONS

- An MA organization may offer a continuation of enrollment option to MA local plan enrollees when they no longer reside in the service area of a plan and permanently move into the geographic area designated by the MA organization as a continuation area (refer to §60.7 for more detail on the requirements for the continuation of enrollment option).
- Conversions: Individuals who are enrolled in a health plan of the MA organization and are converting to Medicare Parts A and B can elect an MA local plan offered by the same MA organization during their ICEP even if they reside in the MA organization's continuation area. ("Conversion" is defined in §10 and the time frames for the ICEP are covered in §30.2.)
- A member who was enrolled in an MA plan covering the area in which the member permanently resides at the time the plan was terminated in that area, may remain enrolled in the MA plan while living outside the plan's new reduced service area if:
 - There is no other MA plan serving the area at that time;
 - The MA organization offers this option; and
 - The member agrees to receive services through providers in the MA plan's service area.
- The MA organization has the **option** to also allow individuals who are converting to Medicare Parts A and B to elect the MA plan during their ICEP even if they reside outside the service **and** continuation area. This option may be offered provided that CMS determines that all applicable MA access requirements in 42 CFR 422.112 are met for that individual through the MA plan's established provider network providing services in the MA plan service area, and the organization furnishes the same benefits to the individual as to members who reside in the service area. The organization must apply the policy consistently for all individuals. These members will be known as "out-of-area" members. This option applies both to individual members and *to employer or union sponsored group plan* members of the MA organization.
- The MA organization has the **option** to offer "visitor" or "traveler" programs for individuals who are consecutively out of the area for up to 12 months, provided the plan includes the full range of services available to other members (refer to §50.2.1 for more detail on the requirements for the "visitor/traveler" option).

Individuals who do not meet the above requirements may not elect the MA plan. The MA organization must deny enrollment to these individuals.

A permanent residence is normally the primary residence of an individual. Proof of permanent residence is normally established by the address of an individual's residence, but an MA organization may request additional information such as voter's registration records, driver's license records (where such records accurately establish current residence), tax records, and utility bills. Such records must establish the permanent residence address, and not the mailing address, of the individual. If an individual puts a Post Office Box as his/her place of residence on the enrollment form, the MA organization must contact the individual to confirm that the individual resides in the service area. If there is a dispute over where the individual permanently resides, the MA organization should determine whether, according to the law of the MA organization's State, the person would be considered a resident of that State.

In the case of homeless individuals, a Post Office Box, an address of a shelter or clinic, or the address where the individual receives mail (e.g., social security checks) may be considered the place of permanent residence.

20.3.1 - State and County Code (SCC) Corrections

In order to validate a request for a retroactive payment adjustment, the MA organization is required to provide evidence that establishes an individual's place of permanent residence for that specific period of time. This is different from the process outlined in §20.3 above that provides instructions for establishing current residence for the purposes of eligibility to enroll, or remain enrolled, in an MA plan.

Some evidence items that are acceptable for establishing current residence may not be acceptable for establishing residence for a past period of time. For example, a driver's license generally does not specify a period of time in which the address presented on it is or was valid, and there are variances among the states regarding updating their records when a change of address occurs. Since a driver's license may not provide adequate verification of residence for a specific, past period of time in all states, it is not considered acceptable documentation for retroactive payment adjustment requests. In contrast, a signed statement from the beneficiary, or his or her representative, that confirms the residence for the specific period, or a tax record covering the period in question are examples of documents that do address the specific period of time associated with a retroactive payment adjustment for SCC discrepancies and as such, constitute acceptable documentation.

Information on SCC discrepancies and payment corrections, including evidence requirements for retroactive payment adjustments, is provided in Chapter 19 of *the Medicare Managed Care Manual*.

20.4 - Completion of Enrollment Election

An eligible individual or the individual's legal representative (as described in §40.2.1) must complete an election to enroll in an MA plan, **even if that individual is electing an MA plan in the same MA organization in which he/she is enrolled**. Unless otherwise specified by CMS, an eligible individual can elect an MA plan only if he/she completes an enrollment election, provides required information to the MA organization within required time frames, and submits the properly completed election to the MA

organization for enrollment. Model enrollment forms are included in Exhibits 1, 1b, 2, and 3.

An individual who is a member of an MA plan, and who wishes to elect another MA plan offered by the same MA organization, must complete a new enrollment election to enroll in the new MA plan; however, that individual may use a short enrollment form (refer to Exhibit 3 for a model short enrollment form or Exhibit 3a for a model *plan* selection form) to make the election in place of the comprehensive individual enrollment form, or may complete the election via the Internet, as described in §40.1.3 of this chapter, or by telephone, as described in §40.1.4 of this chapter, if the MA organization offers these options.

An MA organization must deny enrollment to any individual who does not properly complete the enrollment form or other mechanism within required time frames. Procedures for completing the enrollment *request* are provided in §40.2 and Appendix 2. Refer to §10 for a definition of “completed election.”

20.4.1 - *Optional Employer/Union Election Mechanism*

Beginning April 1, 2003, MA organizations that offer MA plans to *an employer or union* may choose to accept voluntary elections directly from *the employer or union* (or its TPA) without obtaining a *paper* MA election form from each individual. The elections reported to the MA organization *by the employer/union* will reflect the choice of retiree coverage individuals made using their employer’s *or union’s* process for selecting a health plan. This election mechanism is optional for MA organizations, and may not be required. Therefore, MA organizations may specify the employers *and/or unions*, if any, from which they will accept this election format and may choose to accept enrollment and/or voluntary disenrollment elections.

The record of an individual’s choice of health plan submitted by the employer *or union* effectively replaces the *paper* MA election form(s). All eligibility, processing and notice requirements, as outlined in this *guidance* and other references, that pertain to *paper* election forms are applicable to this election mechanism; *however, this* process does not require the MA organization to obtain a signature. Detailed information and instruction is provided in §40.1.2 for enrollments and §50.1.5 for disenrollments.

Notices of disenrollment, cancellation or termination of coverage not initiated by an enrollee election (i.e. involuntary disenrollment) are not included in this mechanism. Guidance for these situations is available in §50.1.5.

20.4.2 - *Passive Elections*

Under Medicare laws and regulations, Medicare beneficiaries must make an election to enroll in an MA plan, and CMS specifies the form and manner in which such elections are made. CMS has determined that it is legally permissible to provide for enrollment in an MA plan under a passive election process in specific, limited circumstances generally associated with the MA plan renewal process. A passive election is defined as a process by which a beneficiary is informed that he or she may make an election of a new MA plan by taking no action.

MA Plan Renewal and Non-Renewal

When a passive election is used in connection with a Service Area Reduction (SAR) or plan termination, the MA Organization must send a modified Annual Notice Of Change (ANOC) to the enrollees setting forth the available options, including Medigap rights. Although the ANOC information ordinarily may not be due until a later date, the MA organization must provide the ANOC information for the new MA Plan by October 2 of the current calendar year for the following year's plan(s). This will satisfy the MA Plan termination notification requirements and give the enrollees time to decide whether to elect the new plan by taking no action.

When a passive election is used in an MA plan renewal that **does not** include a termination or SAR, there are no Medigap rights. The MA Organization should use the regular ANOC and include passive enrollment language to inform enrollees about their respective plans and other choices for the upcoming year.

20.4.3 - Group Enrollment for Employer or Union Sponsored Plans

CMS is providing a process for group enrollment into an employer/union sponsored MA plan. CMS will allow an employer or union to enroll its retirees using a group enrollment process that provides CMS with any information the employer/union has on other insurance coverage for the purposes of coordination of benefits. MA organizations must adhere to the guidelines outlined in [§40.1.7](#), as well as all other program requirements, in developing and implementing this process.

20.5 - Agreeing to Abide by MA Organization Rules

An individual is eligible to elect an MA plan if he/she is fully informed of and agrees to abide by the rules of the MA organization that were provided during the enrollment process (refer to [§§40.4](#), [40.4.1](#), and [40.4.2](#) regarding what information must be provided to the individual during the enrollment process). "Fully informed" means that the individual must be provided with the applicable rules of the MA organization, as described in [§40.4.1](#) of this chapter, as well as in the Medicare Marketing Guidelines. The MA organization must deny enrollment to any individual who does not agree to abide by the rules of the MA organization. Agreement to abide by the rules of the MA organization in this context is made through the completion of the enrollment election.

20.6 - Grandfathering of Members on January 1, 1999

An individual who was enrolled on December 31, 1998, in an HMO with a risk contract under [§1876](#) of the Social Security Act was deemed to be enrolled on January 1, 1999, in an MA plan offered by the same organization if he/she did not choose to disenroll from the organization effective on the latter date. This deemed enrollment applied even if the enrollee was not entitled to Medicare Part A or did not live in an MA plan service area or continuation area. The MA organization was not permitted to disenroll such individuals because they were not entitled to Part A, or did not live in the service or continuation area. However, if these individuals elect to disenroll from the MA organization, they are

not eligible to enroll in any MA plan until or unless they meet all MA eligibility requirements.

If enrollment in Medicare Part B ends for an individual, the individual may not continue as a member of the MA plan and must be disenrolled as described in §§50.2.2 and 50.6.

The MA organization must identify all Medicare Part B-only “grandfathered” individuals and inform them of their status annually. This notification may be included as part of the Evidence of Coverage. The notice must inform these individuals that if they disenroll from the MA organization, they cannot elect another MA plan unless they become entitled to Medicare Part A (by enrolling in Medicare Part A at SSA and by paying the appropriate premium to CMS) and remain enrolled in Medicare Part B.

MA organizations may continue to provide Part A-equivalent benefits to Medicare Part B-only grandfathered members. In addition, if an MA organization offers Part A-equivalent coverage as a supplemental benefit in an MA plan, then the MA organization may disenroll a Medicare Part B-only grandfathered member who fails to pay the organization’s Part A-equivalent premium, just as any member of the MA organization could be disenrolled for nonpayment of premiums (refer to §50.3.1).

Grandfathered members may enroll in other MA plans in the same MA organization (within the same State, with exceptions). However, if grandfathered members disenroll from the MA organization (i.e., they switch to Original Medicare), they will not be eligible to enroll in any MA plan in any MA organization until or unless they meet all MA eligibility requirements. If the out-of-area grandfathered members disenroll from the MA organization (i.e., they switch to Original Medicare or attempt to enroll in another MA organization), they will only be able to enroll in other MA organizations if they meet all MA eligibility requirements, including, but not limited to, that of living in the service area of the MA plan.

20.7 - Eligibility and the Hospice Benefit

An MA organization must not deny enrollment to any individual who has elected the hospice benefit (except in the case of a Medicare MSA plan; see §20.10 for additional eligibility requirements for Medicare MSA plans). Until the MA organization acknowledges that it has received the completed enrollment election and gives a coverage effective date to the individual (refer to Exhibit 4, Exhibit 4a, and §40), the MA organization must not ask any questions related to the existence of a terminal illness or election of the hospice benefit. Such questions will be considered impermissible health screening.

The MA organization may not disenroll any member on the basis of the member electing the hospice benefit either before or after becoming a member of the MA plan.

20.8 - Continuation of Enrollment Option for MA Local Plans

With CMS approval, an MA organization may establish continuation areas, separate and apart from an MA local plan’s service area. Refer to Chapter 11 (Contracts with Medicare + Choice Organizations) regarding CMS approval of continuation areas. As

defined in [§10](#), the CMS-approved continuation area is an additional area outside an MA local plan's service area within which the MA organization furnishes or arranges for furnishing of services to the MA plan's members. Members may only choose to continue enrollment with the MA local plan if they have permanently moved from the service area into the continuation area.

As described in [Chapter 11](#), if an MA organization wants to offer a continuation of enrollment option under one or more of the MA local plans it offers, then it must obtain CMS' approval of the continuation area and the marketing materials that describe the continuation of enrollment option. The MA organization must also describe the enrollment option(s) in member materials and make the option available to all members of the MA local plan in question who make a permanent move to the continuation area. An MA organization may require members to give advance notice of their intent to use the continuation of enrollment option. If the MA organization has this requirement, then it must fully describe the required notification process in the CMS-approved marketing materials. In addition, the MA organization must fully explain any continuation option to all potential members of the MA local plan, current members of any other health plan of the MA organization members who reside in the MA local plan service area and/or MA organization continuation area.

If a member *who permanently moves from the service area into the continuation area* does not choose the continuation of enrollment option when he/she is eligible for the option, then the individual is no longer eligible to be a member of the MA local plan, and the MA organization must initiate the individual's disenrollment. Procedures for continued enrollment are in [§60.8](#) and procedures describing disenrollment for permanent change of residence are described in [§50.2.1](#).

20.9 - Additional Eligibility Requirements for MA Religious Fraternal Benefit (RFB) Plans

An MA RFB plan is a plan that an RFB society may offer only to members of the church, or convention or group of churches with which the society is affiliated. The requirement for membership can be met by any documentation establishing membership issued by the church, or by using the church's records of membership. An individual must also meet all the other requirements to elect an MA plan.

20.10 - Eligibility Requirements for Medicare Medical Savings Account (MSA) Plans

There are additional requirements and limitations *for* individuals who wish to elect a Medicare Medical Savings Account (MSA) plan. An individual is not eligible to elect a Medicare MSA plan if any one of the following applies:

- The individual will reside in the United States for fewer than 183 calendar days during the year in which the election is effective;
- The individual is enrolled in a Federal Employees Health Benefits program, or is eligible for health care benefits through the Department of Veterans Affairs or the Department of Defense;

- The individual is entitled to coverage of Medicare cost-sharing under a Medicaid State plan;
- The individual is receiving hospice benefits under the Medicare benefit prior to completing the enrollment election; or
- The individual receives health benefits that cover all or part of the annual Medicare MSA deductible such as through insurance primary to Medicare, supplemental insurance policies not specifically permitted under 42 CFR 422.104, or retirement health benefits.

20.11 - Additional Eligibility Requirements for MA Special Needs Plans

MA Special Needs Plans (SNP) may limit enrollment to individuals who meet specified eligibility requirements in addition to the eligibility requirements in §20 of this chapter. To be eligible for enrollment in an SNP that enrolls only special needs individuals an individual must meet the eligibility requirements for the specific SNP.

Before processing an enrollment into an *exclusive* dual eligible SNP, the SNP must confirm eligibility, including *both* MA eligibility and Medicaid eligibility. *Disproportionate share dual eligible SNPs must verify Medicaid eligibility only for applicants who are enrolling on the basis of their Medicaid eligibility.* Acceptable proof of Medicaid eligibility can be a *current* Medicaid card, *a* letter from the state agency that confirms entitlement to Medical Assistance, *or verification through a systems query to a State eligibility data system.* The aforementioned documents or *State* systems verifications are acceptable proof of Medicaid entitlement for beneficiaries residing in the 50 states and the District of Columbia. In cases where a dual SNP enrolls *only full-benefit* dual eligible individuals, it may have to rely on a systems query or other information to confirm that the beneficiary receives medical coverage from Medicaid. *An individual's current eligibility for the Medicare Part D Low Income Subsidy (LIS) or any other Medicaid status flag in CMS systems are not acceptable for initial or ongoing Medicaid eligibility verification for the purposes of determining dual eligible SNP eligibility. For current enrollees, the SNP must verify continuing eligibility (e.g. full or partial dual status, as applicable) at least as often as the state Medicaid agency conducts redeterminations of Medicaid eligibility.*

For enrollments into an institutional SNP, the *organization* must confirm that the individual requires an institutional (skilled nursing facility (SNF), nursing facility (NF), SNF/NF, intermediate care facility for the mentally retarded (ICF/MR) or inpatient psychiatric facility) level-of-care, and that the need for an institutional level-of-care has lasted 90 days or longer. When an institutional SNP opts to enroll special needs individuals prior to a 90-day length-of-stay, the needs-assessment (pre-approved by CMS) must show that the individual's condition makes it likely that the length-of-stay (*or need for an institutional level-of-care*) will be at least 90-days. When the institutional SNP limits enrollment to individuals in a facility, it must confirm residence in the facility.

For enrollments into a severe/chronic disabling condition SNP, the *organization* must confirm that the individual has the qualifying condition. This can be a note from a provider *or the provider's office* confirming that s/he has the condition, or, if evidence is

not available at the time the enrollment form is submitted, the enrollee could also provide written permission (separately from the enrollment form) permitting the SNP to contact the beneficiary's *provider's* office for verification of the condition.

30 - Election Periods and Effective Dates

In order for an MA organization to accept an election *request, a valid request must be made* during an election period (see §10 for the definition of “election”). *It is the responsibility of the organization to determine the election period of each election request.* There are *five* types of election periods during which individuals may make elections. They are:

- The Annual Election Period (AEP);
- The Initial Coverage Election Period (ICEP);
- All Special Election Periods (SEP);
- The Open Enrollment Period (OEP); *and*
- *The Limited Open Enrollment Period (L-OEP)*

Unless a CMS-approved capacity limit applies, all MA organizations must accept elections into their MA plans (with the exception of Medicare MSA plans) during the AEP, an ICEP, and any SEP that allows enrollment into the specific plan. (Refer to §30.7 for election periods for Medicare MSA plans.) When an MA plan is closed due to a capacity limit, the MA plan must remain closed to all prospective enrollees (with the exception of reserved vacancies) until the limit is lifted. Refer to §30.8 and §30.8.1 for more information on OEP plan closures, capacity limits and reserved vacancies.

30.1 - Annual Election Period (AEP)

During the AEP, MA eligible individuals may enroll in or disenroll from an MA plan. The last election made, determined by the application date, will be the election that takes effect (refer to §60.1 for information on multiple transactions).

The AEP occurs November 15 through December 31 of every year.

Note: An employer/union sponsored MA plan may have an “open season” as determined by the employer. This may or may not correspond with the MA annual election period. Therefore, orgs are not required to accept enrollment requests into empl/union plans during the AEP (unless the AEP and open season occur simultaneously); however, organizations must accept valid requests for disenrollment.

30.2 - Initial Coverage Election Period (ICEP)

The ICEP is the period during which an individual newly eligible for MA may make an initial election to enroll in an MA plan. This period begins three months immediately before the individual's first entitlement to **both** Medicare Part A and Part B and ends on the later of:

1. The last day of the month preceding entitlement to both Part A and Part B, or;
2. *The* last day of the individual's Part B initial enrollment period.

The initial enrollment period for Part B is the seven (7) month period that begins 3 months before the month an individual meets the eligibility requirements for Part B, and ends 3 months after the month of eligibility. See 42 CFR 407.14 for additional information.

Once an ICEP election is made and enrollment takes effect, the ICEP election has been used.

EXAMPLES

- Mrs. Smith's 65th birthday is April 20, 2006. She is eligible for Medicare Part A and Part B beginning April 1, 2006 and has decided to enroll in Part B beginning on April 1. Her ICEP begins on January 1, 2006 and ends on July 31, 2006.
- Mrs. Smith's 65th birthday is April 20, 2006. She is eligible for Medicare Part A and Part B beginning April 1, 2006. Because she is still working and has health insurance provided by her employer, she has decided not to enroll in Part B during her initial enrollment period for Part B. Upon retiring, she will have the opportunity to enroll in Part B (through a Part B SEP). She has enrolled in Part B effective May 1, 2007. Her ICEP would be February 1 through April 30, 2007.

Please note that the ICEP for an MA enrollment election will frequently relate to either the individual's 65th birthday or the 25th month of disability, but it must **always** relate to the individual's entitlement to **both** Medicare Part A and Part B. When an individual enrolls in an MA-PD plan, s/he has used both the ICEP and the IEP for Part D (see §30.2.1).

30.2.1 - Initial Enrollment Period for Part D (IEP for Part D)

The Initial Enrollment Period for Part D (IEP for Part D) is the period during which an individual is first eligible to enroll in a Part D plan. In general, an individual is eligible to enroll in a Part D plan when he or she is entitled to Part A OR *is* enrolled *in* Part B, AND permanently resides in the service area of a Part D plan.

At the beginning of the Medicare prescription drug coverage program, all current Part D eligible individuals had an IEP for Part D that began on November 15, 2005, and ended on May 15, 2006. During the IEP for Part D, individuals may make one Part D enrollment choice, including enrollment in an MA-PD plan.

Generally, individuals will have an IEP for Part D that is the same period as the Initial Enrollment Period for Medicare Part B. The initial enrollment period for Part B is the seven (7) month period that begins 3 months before the month an individual meets the eligibility requirements for Part B, and ends 3 months after the month of eligibility. See 42 CFR 407.14 for additional information.

Individuals not eligible to enroll in a Part D plan at any time during their initial enrollment period for Medicare Part B or those not eligible for Part D during the first Medicare initial enrollment period for Part D (November 15, 2005 through May 15, 2006) have an IEP for Part D that is the 3 months before becoming eligible for Part D, the month of eligibility, and the three months following eligibility for Part D.

Individuals eligible for Medicare prior to age 65 (such as for disability) will have another Initial Enrollment Period for Part D based upon attaining age 65.

The ICEP and the IEP for Part D occur together as one period when a newly Medicare eligible individual has enrolled in BOTH Part A and B at first eligibility. Should an individual delay enrollment in Part B to a later time, the ICEP and IEP become separate with the ICEP changing to then occur as the 3 months immediately preceding entitlement to BOTH parts A and B.

If a Medicare entitlement determination is made retroactively, an individual has not been provided the opportunity to enroll in a Part D plan during his/her IEP for Part D. Therefore, the IEP begins the month the individual receives the notice of the Medicare entitlement determination and continues for three additional months after the month the notice is provided. The effective date is generally the first day of the month after the organization receives a completed enrollment request.

In MA context, the IEP for Part D applies only to MA-PD enrollment elections. *Accordingly, when an applicant has both the ICEP and IEP available to him/her, the organization must submit the transaction to CMS as an IEP election.*

30.3 - Open Enrollment Period (OEP)

*In addition to their opportunities during the AEP, SEP, or ICEP, MA eligible individuals may make **one MA OEP election from January 1st through March 31st.** MA organizations are not required to open their MA plans for enrollment during an OEP. However, MA organizations must accept valid requests for disenrollment from MA-only plans during the OEP since Original Medicare is always open during an OEP. In addition, if an MA organization has more than one MA plan, the MA organization is not required to open each plan for enrollment during the same time frames.*

If an MA organization opens a plan during part of an OEP, it is not required to open the plan for the entire month – it may choose to open the plan for only part of the month.

The OEP (also including the OEP NEW, OEPI *and L-OEP* described below) is not available for Medicare MSA elections. Please refer to [§30.7](#) for more information on Medicare MSA elections.

OEP Limitation:

OEP (including OEPNEW *but not including OEPI*) elections must be made to the same type of plan (regarding Medicare prescription drug coverage) in which the individual is already enrolled, as follows:

- (1) An individual who is enrolled in an MA-PD plan may elect another MA-PD plan or disenroll from the MA-PD by enrolling in a PDP (there is a corresponding SEP to permit this Part D enrollment). To effectuate this election, the individual must elect an MA-PD plan or enroll in a PDP. Either action will generate an automatic disenrollment from the current MA-PD plan. An individual enrolled in a PDP may elect an MA-PD.

Such individual may not elect an MA plan that does not include Part D coverage. *MA organizations must deny OEP requests for voluntary disenrollment from an MA-PD plan.*

- (2) An individual who is enrolled in an MA plan and who does not have Part D coverage may elect another MA plan that does not include Part D coverage or may elect to disenroll from the MA plan.

An individual enrolled in Original Medicare (or a non-MA Medicare health plan, such as a cost plan) but not in a PDP may elect an MA plan that does not include Part D coverage. *Individuals who do not have Part D coverage, regardless of whether they have other creditable coverage,* may not elect an MA-PD plan during this period.

The table below describes possible MA-OEP election options:

If current coverage is	Can use OEP to get	<u>Cannot</u> use OEP to get
Medicare Advantage with prescription drug coverage (MA-PD)	<i>A different MA-PD <u>or</u> Original Medicare + PDP <u>or</u> MA-PFFS + PDP</i>	MA-only <u>or</u> Original Medicare only <i>(cannot drop drug coverage)</i>
Medicare Advantage with no prescription drug coverage (MA-only)	<i>A different MA-only <u>or</u> Original Medicare only</i>	MA-PD <u>or</u> Original Medicare + PDP <i>(cannot add drug coverage)</i>
<i>MA-only PFFS + PDP</i>	<i>MA-PD <u>or</u> different MA-only PFFS and same PDP <u>or</u> Original Medicare and same PDP</i>	<i>MA-only <u>or</u> Original Medicare only (cannot drop drug coverage)</i>
Original Medicare and a prescription drug plan (PDP)	<i>MA-PD <u>or</u> MA-PFFS and the same PDP</i>	MA-only <u>or</u> A different PDP to use with Original Medicare <i>(cannot drop drug coverage)</i>

Original Medicare only	MA-only	MAPD <u>or</u> Original Medicare + PDP <i>(cannot add drug coverage)</i>
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NOTE: An OEP enrollment election into another MA plan that results in an automatic disenrollment from a current plan will count as 1 OEP election.

30.3.1 - Open Enrollment for Newly Eligible Individuals (OEPNEW)

An individual who becomes MA eligible may make **one** MA OEPNEW election during the period that begins the month the individual is entitled to both Part A and Part B and ends on the last day of the *3rd* month of entitlement, or on December 31st *of the same year*, whichever occurs first, subject to the limitations described in §30.3 above.

An OEPNEW election is separate from an OEP election. An MA organization is not required to accept elections into its plan during the OEPNEW, but if it is open for these elections, it must accept all OEPNEW elections into the plan.

30.3.2 - Open Enrollment Period for Institutionalized Individuals (OEPI)

The OEPI is continuous for institutionalized individuals. For purposes of enrollment under the OEPI election period, an institutionalized individual is defined as an individual who moves into, resides in, or moves out of an institution, as defined in §10. The SEP ends two months after the month the individual moves out of the institution.

Special Note for SNP enrollment:

In addition, the OEPI is available for individuals who meet the definition of “institutionalized” to enroll in or disenroll from an MA SNP for institutionalized individuals.

An MA eligible institutionalized individual can make an unlimited number of MA elections during the OEPI. *In addition, the “OEP limitation” described in §30.3 does not apply to OEPI elections.* An MA organization is not required to accept elections into its plan during the OEPI, but if it is open for these elections, it must accept all OEPI elections into the plan.

Since the OEPI is continuous, Original Medicare is open continuously for institutionalized individuals. Therefore, MA organizations must accept requests for disenrollment from their MA plans during the OEPI, since Original Medicare is open continuously for institutionalized individuals.

Please note the definition of “institution” here differs from that used in determining when an institutionalized full-benefit dual eligible qualifies for the low-income subsidy copayment level of zero.

30.3.3 – Limited Open Enrollment Period (L-OEP)

The L-OEP provides beneficiaries enrolled in Original Medicare a limited opportunity in 2007 and 2008 to enroll in a Medicare Advantage (MA) plan that does not include Medicare prescription drug coverage (MA-only plan). The L-OEP does not apply to enrollment into Medicare Medical Savings Account (MSA) plans, MA-PD plans or stand-alone PDPs.

The L-OEP for MA-only plans is available through 2008 to all beneficiaries enrolled in Original Medicare during any period when individuals would not otherwise have an enrollment opportunity to elect an MA plan. This group includes beneficiaries in Original Medicare who are also enrolled in a stand-alone PDP. However, consistent with section 1860D-1(a)(1)(B)(ii) and (iii) of the Act, these beneficiaries may remain enrolled in the PDP only if they enroll in a PFFS MA-only plan that does not offer Part D. Thus, if an individual in Original Medicare and a stand-alone PDP elects to enroll in an MA-only coordinated care plan, such as an HMO, PPO or Regional PPO, his or her enrollment in the PDP will be automatically cancelled as of the effective date of enrollment in the MA-only plan. The L-OEP is not available to individuals enrolled in 1876 cost plans.

MA organizations offering an MA-only plan may accept an enrollment request made during the L-OEP from individuals enrolled in Original Medicare who do not have another MA enrollment period available to them. The existing MA enrollment periods include:

- *the Annual Election Period (AEP) from November 15 – December 31;*
- *the MA Open Enrollment Period (MA OEP) from January 1 – March 31;*
- *applicable Special Election Periods (SEPs); and*
- *the Initial Enrollment Period (IEP) for individuals new to Medicare.*

The new L-OEP will provide beneficiaries who are still in Original Medicare one additional opportunity to choose an MA-only plan when the election periods listed above are not available to the individual (including if the beneficiary has already used a one-time opportunity to make a change such as the MA OEP or an SEP).

Instructions for Processing MA L-OEP Enrollment Requests for MA coordinated care plans:

MA organizations offering an MA-only coordinated care plan must follow the steps below to accept and process an enrollment request made during the L-OEP. Note that this process does not apply to L-OEP requests for enrollment into PFFS MA-only plans. MA organizations offering a PFFS MA-only plan may accept a valid L-OEP enrollment request and process it as outlined in this chapter; for all other L-OEP enrollment requests, the following steps must be followed:

1. *MA organizations must determine the enrollment period for all incoming enrollment requests. When the organization identifies an L-OEP enrollment election, it must submit a Batch Eligibility Query (BEQ) transaction or access the MARx online query (M232 screen) to determine whether the beneficiary has other prescription drug coverage (i.e., is currently enrolled in a PDP or RDS plan).*
2. *If the beneficiary does not have other drug coverage, the MA organization must proceed with processing the enrollment request as outlined in this chapter. The*

effective date of enrollment is the first of the month following the month in which the enrollment request was received. Until further notice, MA organizations should submit these enrollment transactions using the “S” transaction code.

- 3. If the beneficiary currently has other drug coverage, the MA organization must contact the beneficiary within ten calendar days of receipt of the enrollment request to confirm the beneficiary’s intent to enroll in the MA-only plan. The MA organization must ensure that s/he understands that enrolling in the MA-only plan at this time will automatically cancel his or her PDP enrollment and may impact other drug coverage provided by an employer or union group. The MA organization must also advise the beneficiary that, absent a change in circumstances or if s/he has Medicaid or qualifies for the low income subsidy, s/he will not be able to reenroll in a Part D plan until the start of the Annual Election Period on November 15, with coverage effective the following January 1, and that s/he may be subject to a late enrollment penalty at that time. This contact may be made by telephone, written notice, or both (see Exhibit 4c).*
- 4. The individual will have 30 calendar days from the date he or she is contacted by the MA organization to respond to the request for enrollment confirmation. The MA organization must document this contact and retain it with the record of the individual’s enrollment request. If the individual indicates that s/he is fully aware of any consequence to his/her PDP enrollment or other drug coverage brought about by enrolling in the MA-only plan, and confirms s/he still wants to enroll, the MA organization must process the enrollment as outlined in this chapter. The effective date of enrollment is the first of the month following the month the individual confirmed his or her intent to enroll via the process outlined above. If the individual does not respond within 30 calendar days, the enrollment must be denied because the individual failed to provide the additional information requested. The organization must provide the appropriate denial notice (see Exhibit 7).*

An L-OEP election is separate from an OEP election. An MA organization is not required to accept elections into its plan during the L-OEP, but if it is open for these elections, it must accept all L-OEP elections into the plan.

30.4 - Special Election Period (SEP)

During an SEP, an individual may discontinue *enrollment in* an MA plan and, except for Medicare MSA plan enrollees, may change to a different MA plan (or to Original Medicare) *or, in certain cases specified below, may enroll in an MA plan. Certain SEPs are limited to an enrollment or disenrollment election.* If the individual disenrolls from (or is disenrolled from) the MA plan and changes to Original Medicare, the individual may subsequently elect a new MA plan within the SEP time period. Once the individual has elected the new MA plan, the SEP ends for that individual even if the time frame for the SEP is still in effect. In other words, **the SEP for the individual ends when the individual elects a new MA plan or when the SEP time frame ends, whichever comes first, unless specified otherwise within an SEP.**

Note: An individual's eligibility for an SEP does not convey eligibility to enroll in the plan; in addition to having a valid enrollment period an individual must also meet all applicable MA eligibility criteria.

It is the responsibility of the organization to determine whether the individual is eligible for an SEP. To make this determination, the organization may need to contact the individual to obtain the information. Unless otherwise required in this guidance, the organization **MUST** accept verbal confirmation from the individual regarding the conditions that make him or her eligible for the SEP. The organization may obtain this information at the time of the enrollment request (see Exhibit 1a).

The following are examples of questions that might be used to determine eligibility for an SEP:

Type of SEP?	Examples of Questions
Change in Residence	Have you recently moved? If so, when? Where did you move from?
Employer/ <i>Union</i> Group Health Plan (<i>EGHP</i>)	Do you currently have (<i>or are leaving</i>) coverage offered by an employer or union? Have you recently lost such coverage?
<i>Disenroll from Part D to enroll in Creditable Coverage</i>	<i>Are you a member of TriCare?</i> <i>Do you have or want to obtain VA benefits?</i>
<i>Full and Partial</i> Dual Eligible	Do you currently have Medicaid coverage? Did you recently receive a yellow letter from CMS? <i>Does your state pay for your Medicare premiums?</i> Have you recently lost coverage under Medicaid?
Other Low Income Subsidy	Have you recently been approved for extra help? Have you recently received a green letter from CMS? Do you receive SSI cash benefits without Medicaid? <i>Did you receive a letter from Medicare letting you know that you automatically qualify for extra help?</i>

Institutionalized	Are you moving into or are you a current resident of an institution, such as a nursing facility or long-term care hospital? Are you moving out of such a facility?
Retroactive notice of Medicare entitlement	Have you recently received a notice telling you that you have been approved for Medicare for a “retroactive” date? If so, when did you receive this notice?
PACE	For enrollment – are you currently enrolled in a special plan called “PACE”?

If the contact is made orally (by phone), the organization must document the contact and retain the documentation in its records. If the organization requests this confirmation through a written notice, such notice must include the option (and information) needed to call the organization and confirm this information verbally. The organization must obtain this confirmation *in accordance with §40.2.2*. If the organization is not able to obtain this confirmation, the organization must deny the enrollment request and provide the individual a notice of denial of enrollment (see **Exhibit 7**).

Please note that the time frame of an SEP denotes the time frame during which an individual may make an election. **It does not necessarily correspond to the effective date of coverage.** For example, if an SEP exists for an individual from May - July, then an MA organization must receive *an* election from that individual some time between May 1 and July 31 in order to consider the election an SEP election. However, the type of SEP will dictate what the effective date of coverage may be, and that effective date of coverage may be some time after July 31. The following discussion of SEPs and their corresponding effective dates will demonstrate this concept more fully.

Individuals who disenroll from an MA plan to Original Medicare during an SEP are provided Medigap guaranteed issue rights. These rights are not afforded to those individuals who enroll into an MA plan during an SEP. MA organizations are required to notify members of these guaranteed issue rights when members disenroll to Original Medicare during a SEP. See §§50.1.7 and 50.2 for the additional information regarding these notification requirements

The time frames and effective dates for SEPs are discussed in the following sections.

SEPs apply to local, regional and MA-PD plans unless otherwise specifically stated. Corresponding SEPs for enrollment in Prescription Drug Plans (PDPs) are provided in separate PDP Enrollment guidance.

30.4.1 - SEPs for Changes in Residence

An SEP for a change in residence exists for these scenarios:

- 1) individuals who are no longer eligible to be enrolled in an MA plan due to a change in permanent residence outside of the MA plan service area;
- 2) individuals who will have new Medicare health or Part D plans available to them as a result of a permanent move.

The SEP may begin with either the date of the permanent move or with the date the individual provides notification of such move. It is the individual's responsibility to notify the MA organization that he/she is permanently moving.

When the individual notifies the organization of a permanent move out of the plan service area, the SEP may begin either the month before the individual's permanent move, if the individual notifies the organization in advance, or the month the individual provides the notice of the move, if the individual has already moved. The SEP continues for two months following the month it begins or the month of the move, whichever is later.

If the organization learns from CMS or another source (as described in §50.2.1.3) that the individual has been out of the service area for over six months and the organization has not been able to confirm otherwise with the individual, the SEP starts at the beginning of the sixth month and continues through to the end of the eighth month.

For enrollments associated with permanent moves, the enrollment effective date is determined by the **date the MA organization receives the enrollment request**. The individual may choose an effective date of up to three months after the month in which the MA organization receives the enrollment request. However, the effective date may not be earlier than the date the individual moves to the new service area and the MA organization receives the enrollment request.

EXAMPLE 1

- A beneficiary is a member of an MA plan in Florida and intends to move to Arizona on June 18. A SEP exists for this beneficiary from May 1 - August 31.
 - A. If an MA organization in Arizona receives an enrollment election from the beneficiary in May, the beneficiary can choose an effective date of July 1, August 1, or September 1.
 - B. If the MA organization receives the enrollment election from the beneficiary in June (the month of the move), the beneficiary can choose an effective date of July 1, August 1, or September 1.
 - C. If the MA organization receives the enrollment election in July, the beneficiary could choose an effective date of August 1, September 1, or October 1.

EXAMPLE 2

- A beneficiary resides in Florida and is currently in Original Medicare and not enrolled in an MA plan. The individual intends to move to Maryland on August 3. An SEP exists for this beneficiary from July 1 through October 31.

At the time the individual makes the election into an MA plan, the individual must provide the specific address where the individual will permanently reside upon moving into the service area, so that the MA organization can determine that the individual meets the residency requirements for enrollment in the plan.

Disenrollment from Previous MA Plan

Please keep in mind that a member of an MA plan who moves permanently out of the service area must be disenrolled from the plan, unless continuation of enrollment applies. A member of an MA plan who is out of the area for over six months must be disenrolled from the plan.

CMS has established an SEP that allows an individual adequate time to choose a new MA plan, given the fact that the individual will no longer be enrolled in the original MA plan after the month of the move or after the sixth month (whichever is appropriate). Unless an individual enrolls in a new MA plan with an effective date of the month after the move or the beginning of the seventh month (e.g., the individual moves on June 18 and enrolls in a new plan effective July 1), he/she will be enrolled in Original Medicare until he/she elects the new MA plan.

30.4.2 - SEPs for Contract Violation

In the event an individual is able to demonstrate to CMS that the MA organization offering the MA plan of which he/she is a member substantially violated a material provision of its contract under MA in relation to the individual, or the MA organization (or its agent) materially misrepresented the plan when marketing the plan, the individual may disenroll from the MA plan and elect Original Medicare or another MA plan. The SEP will begin once CMS determines that a violation has occurred. Its length will depend on whether the individual immediately elects a new MA plan upon disenrollment from the original MA plan or whether the individual initially elects Original Medicare before choosing a new MA plan.

We note that in some case-specific situations, CMS may process a retroactive disenrollment for these types of disenrollments. If the disenrollment is not retroactive:

- A SEP exists such that an individual may elect another MA plan or Original Medicare during the last month of enrollment in the MA organization, for an effective date of the month after the month the new MA organization receives the enrollment election.

EXAMPLE

On January 16, CMS determines, based on a member's allegations, that the MA organization substantially violated a material provision of its contract. As a result, the member will be disenrolled from the MA plan on January 31. A SEP exists for this beneficiary beginning January 16 and lasting until the end of January. The beneficiary promptly applies for a new MA plan, and the new MA organization receives the enrollment form on January 28 for a February 1 effective date.

- If the individual in the above example elected Original Medicare during the last month of enrollment in the MA organization (either by choosing Original Medicare or by not choosing an MA plan and therefore defaulting to Original Medicare), the individual will be given an additional 90 calendar days from the effective date of the disenrollment from the MA organization to elect another MA plan. During this 90-day period, and until the individual elects a new MA plan, the individual will be enrolled in Original Medicare. The individual may choose an effective date into a new MA plan beginning any of the three months after the month in which the MA organization receives the enrollment election. However, the effective date may not be earlier than the date the MA organization receives the enrollment election.

EXAMPLE

On January 16, CMS determines, based on a member's allegations that the MA organization substantially violated a material provision of its contract. The member decides to return to Original Medicare. As a result, the member is disenrolled from the MA plan on January 31 and enrolled in Original Medicare with a February 1 effective date. A 90-day SEP continues to exist for the beneficiary from February 1 through April 30. In this example, a new MA organization then receives an enrollment election from the individual on April 15. The beneficiary can choose an effective date of May 1, June 1, or July 1.

If the disenrollment is retroactive, *CMS* will provide the beneficiary with the time frame for his/her SEP to elect another plan *on a case-by-case basis*. *Depending on the circumstances surrounding the contract violation, CMS may determine a retroactive enrollment into another MA plan is warranted.*

30.4.3 - SEPs for Nonrenewals or Terminations

In general, SEPs are established to allow members affected by nonrenewals or terminations ample time to make a choice of their new election. Effective dates during these SEPs are described below. The CMS has the discretion to modify this SEP as necessary for any nonrenewals or terminations when the circumstances are unique and warrant a need for a modified SEP.

In particular:

- **Contract Nonrenewals** - A SEP exists for members of MA plans that will be affected by contract nonrenewals that are effective January 1 of the contract year (42 CFR §422.506). For this type of nonrenewal, MA organizations are required

to give notice to affected members at least 90 calendar days prior to the date of nonrenewal (42 CFR §422.506(a)(2)(ii)). To help coordinate with the notification time frames, the SEP begins October 1 and ends on December 31 of that year.

During this SEP, a beneficiary may choose an effective date of November 1, December 1, or January 1; however, the effective date may not be earlier than the date the new MA organization receives the enrollment *election*.

- **MA organization Termination of Contract and Terminations/Contract Modifications by Mutual Consent** - A SEP exists for members of plans who will be affected by a termination of contract by the MA organization or a modification or termination of the contract by mutual consent (42 CFR §§422.512 and 422.508(a)(1)). For this type of termination, MA organizations are required to give notice to affected members at least 60 calendar days prior to the proposed date of termination (§422.512(b)(2)). To help coordinate with the notification time frames, the SEP begins two months before the proposed termination effective date, and ends one month after the month in which the termination occurs.

Please note that if an individual does not elect an MA plan before the termination effective date, he/she will be defaulted to Original Medicare on the effective date of the termination. However, the SEP will still be in effect for one month after the effective date of the termination should the individual wish to subsequently elect an MA plan (for a current, not retroactive, effective date).

Beneficiaries affected by these types of terminations may request an effective date of the month after notice is given, or up to two months after the effective date of the termination. However, the effective date may not be earlier than the date the new MA organization receives the enrollment election.

EXAMPLE

If an MA organization contract terminates for cause on April 30, an SEP lasts from March 1 through May 31. In this scenario, a beneficiary could choose an effective date of April 1, May 1, or June 1; however, the effective date may not be earlier than the date the new MA organization receives the enrollment election.

- **CMS Termination of MA organization Contract** - A SEP exists for members of plans that will be affected by MA organization contract terminations by CMS (42 CFR 422.510). For this type of termination, MA organizations are required to give notice to affected members at least 30 calendar days prior to the effective date of the termination (422.510(b)(1)(ii)). To help coordinate with the notification time frames, the SEP begins 1 month before the termination effective date and ends 2 months after the effective date of the termination.

Please note that if an individual does not elect an MA plan before the termination effective date, he/she will be defaulted to Original Medicare on the effective date of the termination. However, the SEP will still be in effect for two months after the effective date of the termination should the individual wish to subsequently elect an MA plan (for a current, not retroactive, effective date).

Beneficiaries affected by these types of terminations may select an effective date of up to three months after the month of termination. However, the effective date may not be earlier than the date the new MA organization receives the election.

EXAMPLE

If CMS terminates an MA organization contract effective June 30, an SEP lasts from June 1 through August 31. In this scenario, a beneficiary could choose an effective date of July 1, August 1, or September 1; however, the effective date may not be earlier than the date the new MA organization receives the election.

- **Immediate Terminations By CMS** - CMS will establish the SEP during the termination process for immediate terminations by CMS (§422.510(b)(2)), where CMS provides notice of termination to an MA plan's members and the termination may be mid-month.

30.4.4 - SEPs for Exceptional Conditions

CMS has the legal authority to establish SEPs when an individual *or group of individuals* meets exceptional conditions specified by CMS, *including on a case-by-case basis*. The *SEPs* CMS has established *include*:

1. SEP EGHP (*Employer/Union Group Health Plan*) - An SEP exists for individuals making MA elections into or out of employer sponsored MA plans and for individuals to disenroll from an MA plan to take employer sponsored coverage of any kind and for individuals disenrolling from employer sponsored coverage (including COBRA coverage) to elect an MA plan. The SEP EGHP may be used when the EGHP allows the individual to make changes in their health coverage choices, such as during the employer's *or union's* "open season," or *at other times the employer or union allows*. This SEP is available to individuals who have (or are enrolling in) an employer or union sponsored plan and ends 2 months after the month the employer or union coverage ends.

The individual may choose an effective date of up to three months after the month in which the *individual completed an enrollment or disenrollment request*. However, the effective date may not be earlier than the *first of the month following the month in which the request was made*.

NOTE: If necessary, the MA organization may process the election with a retroactive effective date, as outlined in §60.6. Keep in mind that all MA eligible individuals, including those in EGHPs, may elect MA plans during the AEP and ICEP, during any other SEP, and during the OEP if the plan is open for enrollment. The SEP EGHP does not eliminate the right of these individuals to make elections during these time frames.

2. SEP for Individuals Who Disenroll in Connection with a CMS Sanction - On a case by case basis, CMS will establish an SEP if CMS sanctions an MA organization, and an enrollee disenrolls in connection with the matter that gave rise to that sanction. The start/length of the SEP, as well as the effective date, are dependent upon the situation.

3. SEP for Individuals Enrolled in Cost Plans that are Nonrenewing their Contracts

- An SEP will be available to enrollees of HMOs or CMPs that are not renewing their §1876 of the Act cost contracts for the area in which the enrollee lives.

This SEP is available only to Medicare beneficiaries who are enrolled with an HMO or CMP under a §1876 of the Act cost contract that will no longer be offered in the area in which the beneficiary lives. Beneficiaries electing to enroll in an MA plan via this SEP must meet MA eligibility requirements.

This SEP begins 90 calendar days prior to the end of the contract year (i.e., October 1) and ends on December 31 of the same year.

During this SEP, a beneficiary may choose an effective date of November 1, December 1, or January 1; however, the effective date may not be earlier than the date the new MA organization receives the election.

4. SEP for Individuals in the Program of All-inclusive Care for the Elderly (PACE) -

Individuals may disenroll from an MA plan at any time in order to enroll in PACE. In addition, individuals who disenroll from PACE have an SEP for up to 2 months after the effective date of PACE disenrollment to elect an MA plan. The effective date would be dependent upon the situation.

5. SEP for Dual-eligible Individuals or Individuals Who Lose Their Dual-eligibility -

There is an SEP for individuals who are entitled to Medicare Part A and Part B and receive any type of assistance from the Title XIX (Medicaid) program. This includes both “full benefit” dual eligible individuals as well as individuals often referred to as “partial duals” who receive cost sharing assistance under Medicaid (e.g. QMB-only, SLMB-only, etc). This SEP begins the month the individual becomes dually-eligible and exists as long as s/he receives Medicaid benefits. This SEP allows an individual to enroll in, or disenroll from, an MA plan. The effective date of an election made using this SEP would be *the first of the month following receipt of an enrollment request. However, as described in §40.1.6, the effective date for auto-enrollments of full-benefit dual-eligible individuals may be retroactive.*

In addition, MA-eligible individuals who are no longer eligible for Title XIX benefits have an SEP beginning the month they lose eligibility plus two additional months to make an enrollment choice in another MA plan.

6. SEP for Individuals Who Dropped a Medigap Policy When They Enrolled For the First Time in an MA Plan, and Who Are Still in a “Trial Period” -

For Medicare beneficiaries who dropped a Medigap policy when they enrolled for the first time in an MA plan, §1882(s)(3)(B)(v) of the Act provides a guaranteed right to purchase another Medigap policy if they disenroll from the MA plan while they are still in a “trial period.” In most cases, a trial period lasts for 12 months after a person enrolls in an MA plan for the first time. Such individuals would not be eligible for the special election period provided for in the last sentence of §1851(e) of the Act, because they did not enroll in an MA plan immediately upon becoming Medicare eligible, but instead had been in the Original Medicare Plan for some period of time. The right to “guaranteed issue” of a Medigap policy under §1882(s)(3)(B)(v) of the Act would be meaningless if individuals

covered by this provision could not disenroll from the MA plan while they were still in a trial period.

Accordingly, there is an SEP for individuals who are eligible for “guaranteed issue” of a Medigap policy under §1882(s)(3)(B)(v) of the Act upon disenrollment from the MA plan in which they are enrolled. This SEP allows a qualified individual to make a one-time election to disenroll from their first MA plan to join the Original Medicare Plan at any time of the year. *The SEP begins the month the individual disenrolls from the MA-PD plan and continues for two additional months.* The effective date would be dependent upon the situation.

7. SEP for Individuals with ESRD Whose Entitlement Determination Made

Retroactively - If a Medicare entitlement determination is made retroactively, an individual has not been provided the opportunity to elect an MA plan during his/her ICEP. Therefore, these individuals will be allowed to prospectively elect an MA plan offered by the MA organization, provided:

- a. They were in a health plan offered by the same MA organization the month before their entitlement to Parts A and B;
- b. Developed ESRD while a member of that health plan; and
- c. Are still enrolled in that health plan.

This would also be allowed in cases when there is an administrative delay and the entitlement determination is not made timely. For example, an individual who performs self-dialysis will have his/her entitlement date adjusted to begin at the time of dialysis, rather than the customary 3-month period AFTER dialysis begins.

The SEP begins the month the individual receives the notice of the Medicare entitlement determination and continues for 2 additional months after the month the notice is received. The election may only be made prospectively and the effective date is the first day of the month after the MA plan receives the election.

8. SEP for Individuals Whose Medicare Entitlement Determination Made

Retroactively - If a Medicare entitlement determination is made retroactively, an individual has not been provided the opportunity to elect an MA plan during his/her ICEP. Therefore, these individuals will be allowed to elect an MA plan offered by the MA organization. This would also be allowed in cases when there is an administrative delay and the entitlement determination is not made timely.

The SEP begins the month the individual receives the notice of the Medicare entitlement determination and continues for two additional months after the month the notice is received. The effective date depends on the situation but is not earlier than the first day of the month in which the notice of the Medicare entitlement determination is received by the individual.

9. Part D Coordinating SEPs – Individuals eligible for an SEP under the guidance for Part D enrollment and disenrollment may use that SEP to make an election into or out of

an MA-PD plan (as applicable). Most Part D SEPs are duplicated in the MA program as described above. Those that are not included above are provided here:

- A. Involuntary loss of creditable coverage, including a reduction in the level of coverage so that it is no longer creditable, not including any such loss or reduction due to a failure to pay premiums. The SEP permits enrollment into a Part D plan and begins with the month in which the individual is advised of the loss of creditable coverage and ends two months after either the loss (or reduction) occurs or the individual received notice, whichever is later. The effective date of this SEP may be the first of the month after the request or, at the beneficiary's request, may be prospective; however, it may be no more than 3 months prospective.
- B. Individuals who are not adequately informed of a loss of creditable coverage, or that they never had creditable coverage, have an SEP to enroll in a Part D plan. The SEP permits one enrollment in, or disenrollment from, a Part D plan on a case-by-case basis. This SEP begins the month of CMS approval of this SEP and continues for two additional months following this approval.
- C. Individuals whose enrollment or non-enrollment in a Part D plan is erroneous due to an action, inaction or error by a Federal Employee. The SEP permits disenrollment and/or enrollment in a Part D plan on a case-by-case basis. Requests for this SEP must be developed and presented to the CMS Regional Office serving the MA-PD plan for which the SEP will apply. This SEP begins the month of CMS approval of this SEP and continues for two additional months following this approval.
- D. *Individuals who disenroll from a cost plan and the cost plan's optional supplemental Part D benefit have an SEP to enroll in a Part D plan. This SEP begins with the month the individual requests disenrollment from the cost plan and ends when the individual makes an enrollment election or on the last day of the second month following the month cost plan membership ended, whichever is earlier.*

These Part D coordinating SEPs apply only to MA-PD elections. For more information about PDP enrollment and disenrollment, please refer to the CMS guidance for PDPs.

10. SEP for Individuals Who Lose Special Needs Status - CMS will provide an SEP for *individuals enrolled in a SNP* who are no longer eligible for *the* SNP because they no longer meet *the specific* special needs status. This SEP begins *the month the individual's special needs status changes and ends* the earlier of when the beneficiary makes an election or three months after the *expiration of the period of deemed continued eligibility*.

11. SEP for Individuals who belong to a Qualified SPAP – Individuals who belong to a qualified SPAP are eligible for an SEP to make one enrollment election at any time through the end of each calendar year (i.e. once per year). SPAP members may use this SEP to enroll in a Part D plan outside of existing enrollment opportunities, allowing them, for example, to join a Part D plan upon becoming a member of an SPAP or to switch to another Part D plan. In summary, a beneficiary may use this SEP to switch from an MA-PD plan to another PDP or MA-PD plan, from Original Medicare *without a PDP*

to *Original Medicare with* a PDP or *to an* MA-PD plan, from a PDP to another PDP or MA-PD plan or from an MA-only plan (no prescription drug coverage) to a PDP or MA-PD plan.

12. SEP for Non-Dual Eligible Individuals with LIS and Individuals who Lose LIS - *Individuals who qualify for LIS (but who do not receive Medicaid benefits) have an SEP that begins the month the individual becomes eligible for LIS and exists as long as s/he is eligible for LIS. This SEP allows an individual to enroll in, or disenroll from, a Part D plan at any time. Because this coverage is effective the first of the month, the SEP would permit beneficiaries to change enrollment on a monthly basis, if they so choose.*

All Individuals who lose their low-income subsidy eligibility:

Individuals who lose their LIS eligibility because they are no longer deemed eligible for the following calendar year will have an SEP to make a change during January – March. Those individuals who lose eligibility for LIS during the year outside of this annual redeeming process will have an SEP that begins the month they are notified and continues for two months.

The effective date for all enrollments under this SEP will be prospective, effective the first day of the month following the organization’s receipt of the enrollment request.

***Example:** An individual is awarded LIS and CMS facilitates his enrollment into a PDP, effective October 1st. In November, the individual decides he would rather be enrolled in another PDP or an MA-PD plan and submits a request in November. He does so using this SEP and his enrollment is effective December 1st.*

13. SEP for Enrollment into a Chronic Care SNP - CMS will provide an SEP (for MA and Part D) for those individuals with severe or disabling chronic conditions to enroll in a SNP designed to serve individuals with those conditions. This SEP will apply as long as the individual has the qualifying condition and will end once s/he enrolls in a SNP. Once the SEP ends, that individual may make enrollment changes only during applicable MA election periods.

14. SEP for Disenrollment from Part D to Enroll in or Maintain Other Creditable Coverage - Individuals may disenroll from a Part D plan (including PDPs and MA-PDs) to enroll in or maintain other creditable drug coverage (such as TriCare or VA coverage). The effective date of disenrollment is the first day of the month following the month a disenrollment request is received by the Part D plan. Additionally, individuals enrolled in an MA-PD plan who have or are enrolling in other creditable coverage may use this SEP to disenroll from the MA-PD plan by enrolling in an MA-only plan.

30.4.5 - SEPs for Beneficiaries Age 65 (SEP65)

MA eligible individuals who elect an MA plan during the initial enrollment period (IEP) *for Part B* surrounding their 65th birthday have an SEP. This “SEP65” allows the individual to disenroll from the MA plan and elect the Original Medicare plan any time during the 12-month period that begins on the effective date of coverage in the MA plan.

The IEP is established by Medicare and begins 3 months before and ends 3 months after the month of the individual’s 65th birthday.

30.5 - Effective Date of Coverage

With the exception of some SEPs and when election periods overlap, generally beneficiaries may not request their effective date. Furthermore, except for EGHP elections, the effective date is generally not prior to the receipt of *an* election by the MA organization. An enrollment cannot be effective prior to the date the beneficiary or his/her legal representative signed the enrollment form or *submitted* the enrollment election. §40.2 includes procedures for handling situations when a beneficiary chooses an enrollment effective date that is not allowable based on the requirements outlined in this section.

To determine the proper effective date, the MA organization must determine which election period applies to each individual before the enrollment may be transmitted to CMS. The election period may be determined by reviewing information such as the individual’s date of birth, Medicare card, a letter from SSA, or by the date the enrollment election is received by the MA organization.

Once the election period is identified by the MA organization, the MA organization must determine the effective date. Refer to §60.8 to determine the effective date for a continuation of enrollment. In addition, EGHP enrollments may be retroactive (*refer to §60.6 for more information on EGHP retroactive effective dates*).

Effective dates are as follows:

Election Period	Effective Date of Coverage	Do MA organizations have to accept <i>enrollment</i> elections in this election period?
Initial Coverage Election Period and Initial Enrollment Period for Part D	First day of the month of entitlement to Medicare Part A and Part B – or- The first of the month following the month the election was made if after entitlement has occurred.	Yes – unless capacity limit applies (see §30.8 for capacity limit information). IEP for Part D is applicable only to MA-PD enrollment elections.
Open Enrollment Periods (OEP, OEPNEW, OEPI, <i>L-OEP</i>)	First day of the month after the month the MA organization receives <i>an</i> enrollment election*	No - the MA organization can choose to be “open” or “closed” for enrollments during these periods.
Annual Election Period	January 1 of the following year	Yes – unless capacity limit applies
Special Election Period	Varies, as outlined in §30.4	Yes – unless capacity limit applies

**For L-OEP, can be first day of month following date applicant confirms understanding of consequences of enrollment in MA-only coordinated care plan.*

It is possible for an individual to make an enrollment election when more than one election period applies, and therefore it is possible that more than one effective date could be used. Therefore, if an individual makes an enrollment election when more than one election period applies, an MA organization must allow the individual to choose the election period (and therefore the effective date) in which he/she is enrolling (see exception in the next paragraph regarding the ICEP).

If the individual's ICEP and another election period overlap, the individual may not choose an effective date any earlier than the month of entitlement to Medicare Part A and Part B.

EXAMPLE

- If an individual will be entitled to Medicare Part A and Part B in February his ICEP is November through May. If an MA organization receives an enrollment election from that individual during the AEP, then the individual may NOT choose a January 1 effective date for the AEP and must be given a February 1 effective date for the ICEP because January 1st is earlier than the month of entitlement to Medicare Part A and Part B.

If an individual makes an enrollment election when more than one election period applies but does not indicate or select an effective date, then the MA organization should assign an effective date that benefits the individual and should attempt to contact the individual to determine the individual's preference. If unsuccessful, the MA organization must use the following ranking of election periods (1 = Highest, 4 = Lowest). The election period with the highest rank generally determines the effective date of enrollment (refer to §30.6 for procedures to determine the effective date of voluntary disenrollment).

Ranking of Election Periods: (1 = Highest, 4 = Lowest)

1. ICEP/IEP-D
2. SEP
3. AEP
4. OEP / OEPNEW / OEPI/*L-OEP*

30.5.1 - Effective Date of Auto- and Facilitated Enrollments

The effective dates for auto-enrollment and facilitated enrollment are described in [§40.1.6](#) of this chapter.

30.6 - Effective Date of Voluntary Disenrollment

With the exception of some SEPs and when election periods overlap, generally beneficiaries may not select their effective date of disenrollment. §50.1 includes procedures for handling situations when a beneficiary chooses a disenrollment effective date that is not allowable based on the requirements outlined in this section.

When a member disenrolls through the MA organization or 1-800-MEDICARE, the election will return the member to Original Medicare. If a member elects a new MA plan while still a member of a different plan, he/she will automatically be disenrolled from the old plan and enrolled in the new plan by CMS systems with no duplication or delay in coverage.

As with enrollments, it is possible for a member to make a disenrollment request when more than one election period applies. Therefore, in order to determine the proper effective date, the MA organization **must** determine which election period applies to each member **before** the disenrollment may be transmitted to CMS.

If an MA organization receives a disenrollment request when more than one election period applies, the MA organization must allow the member to choose the effective date of disenrollment. If the member does not make a choice of effective date, then the MA organization must give the effective date that results in the **earliest** disenrollment.

Effective dates for voluntary disenrollment are as follows (refer to §§50.2 and 50.3 for effective dates for involuntary disenrollment).

Election Period	Effective Date of Disenrollment*	Do MA organizations have to accept elections in this election period?
Open Enrollment Periods	First day of the month after the month the MA organization receives a disenrollment request.	MA-only plans must accept requests for voluntary disenrollment because Original Medicare is always open during this election period. MA-PD plans must deny such requests. Refer to §30.3 for information on OEP limitations.
Annual Election Period	January 1 of the following year.	Yes
Special Election Period	Varies, as outlined in §30.4	Yes

***NOTE:** ROs may allow up to 90 days retroactive payment adjustments for EGHP disenrollments. Refer to §60.6 for more information.

30.7 - Election Periods and Effective Dates for Medicare MSA Plans

Individuals may only enroll in Medicare MSA plans (should one be offered in their area) during the ICEP or the AEP; they may not enroll in Medicare MSA plans during the OEP, *L-OEP* or a SEP (*see exception below*). The effective date of coverage is

determined by the election period in which an election is made. Effective dates are provided in [§30.5](#) of this chapter.

Individuals may only disenroll from Medicare MSA plans during the AEP or an SEP. The effective date of disenrollment during an SEP depends on the type of SEP.

Exception: To facilitate the offering of employer/union sponsored MSA plans, CMS will permit individuals to request enrollment into an employer/union sponsored MSA plan using the Employer Group Health Plan Special Enrollment Period (EGHP SEP).

30.8 - Closed Plans, Capacity Limits, and Reserved Vacancies

An MA organization may specify a capacity limit for one or all of the MA plans it offers and reserve spaces for individual and employer *or union* group commercial members who are converting from a commercial product to an MA product at the time the member becomes eligible (i.e., conversion enrollments). When an MA plan is closed due to a capacity limit, the MA plan must remain closed to all prospective enrollees (with the exception of reserved vacancies) until space becomes available.

All MA plans (with the exception of Medicare MSA plans; see [§30.7](#)) must accept elections made during the AEP, ICEP and SEP unless an approved capacity limit applies. Only with an approved number of reserved vacancies may an MA organization set aside openings for the enrollment of conversions (i.e., ICEP elections).

Unlike the mandatory election periods (AEP, ICEP and SEP), an MA organization has the option to be open for elections made during the OEP. An MA organization may voluntarily close one or more of its MA plans during any portion of the OEP. If an MA plan is closed for OEP enrollment, then it is closed to all individuals in the entire plan service area who are making OEP elections. All MA plans must accept OEP disenrollment elections, subject to the OEP limitation described in [§30.3](#), whether or not it is open for enrollment.

NOTE: For purposes of auto-enrollment and facilitated enrollment, MA organizations must ensure that the MA-PD plans into which beneficiaries are deemed to have enrolled have the capacity to accept them. Should a capacity limit be proposed for an MA-PD plan, it must be set high enough to ensure all beneficiaries may be transitioned.

30.8.1 - MA Plan Closures

The decision to be open or closed for OEP enrollment elections rests with the MA organization and does not require CMS approval. However, if an MA organization has an MA plan that is open during an OEP, and decides to change this process, it must notify CMS and the general public 30 calendar days in advance of the new limitations on the open enrollment process.

If an MA organization has more than one MA plan, those plans may be open or closed independent of one another, as the MA organization determines. Further, each MA plan may be open for all or only part of the OEP. For example, an MA plan may be open:

1. Only some months of the OEP (such as only during March);
2. Some portion of certain months; and/or
3. During the first 25 days (or any part) of each month.

When an MA plan is voluntarily closed for the OEP, it is closed to **ALL** OEP enrollment elections, but must still accept elections made during the ICEP and SEP as well as be open for the AEP, unless an approved capacity limit applies and has been reached (excluding reserved vacancies). The CMS may approve a partial service area closure for capacity reasons. If a plan is closed in a portion of its service area for capacity reasons, that plan may be open during the OEP in the remaining portion of the service area.

When an MA plan is closed due to an approved capacity limit that has been reached, it may continue to accept ICEP (i.e., conversion) enrollments only if there are reserved vacancies set aside. If there are no reserved vacancies, or once all of these vacancies have been filled, the MA organization cannot accept any new enrollees into the MA plan until space becomes available. Refer to [§40.5.1](#) for more information on enrollment processing after reaching capacity.

Refer to [§40.5](#) of this chapter for additional information on enrollment processing during closed periods.

If an MA organization has an MA plan that is approved by CMS for a capacity limit, it should estimate when a capacity limit will be reached and notify CMS and the general public 30 calendar days in advance of the closing of the open enrollment process. If CMS approves the capacity limit for immediate closing of enrollment, the MA organization must notify the general public within 15 calendar days of CMS approval that it has closed for enrollment.

Exhibit 23 contains three model notices that MA organizations can use to notify the public when they are closing for enrollment. **NOTE:** Public notices must receive CMS approval under the usual marketing review process.

When an MA organization has a plan that re-opens after being closed during an OEP or as a result of a capacity limit, there is no requirement for the MA organization to notify the general public. However, the MA organization should notify CMS when this occurs.

40 - Enrollment Procedures

An MA organization must accept elections it receives, regardless of whether they are received in a face-to-face interview, by mail, by facsimile, or through other mechanisms defined by CMS.

An individual must complete an enrollment election mechanism to enroll in an MA plan, **even if that individual is electing an MA plan in the same MA organization in which he/she is enrolled.** If an individual wishes to elect another MA plan in the same MA organization, he/she must complete a new enrollment election to enroll in the new MA plan. In addition to other CMS approved election methods, a short enrollment form (refer

to Exhibit 3 for a model short enrollment form) OR a model *plan* selection form (Exhibit 3a) may be used to make the election of another plan in the same organization in place of the comprehensive individual enrollment form. With the exception of forms that are faxed to the MA organization, individuals should submit original, not photocopied, forms. Individuals who are currently MA enrollees in an organization may also elect to enroll in another MA plan in the same MA organization via other enrollment election methods described in this chapter, if the MA organization offers these options. Enrollment may also be made via Auto- and Facilitated enrollment processes as described in §40.1.6 of this chapter *and via the group enrollment process for employer or union sponsored plans as described in §40.1.7.*

Upon receiving an enrollment request, an MA organization must provide within 10 calendar days, one of the following:

- *Acknowledgement notice (as described in section 40.4.1);*
- *Request for additional information (as described in 40.2.2); or*
- *Notice of denial (as described in 40.2.3).*

CMS will provide weekly Transaction Reply Reports (TRRs) as well as a monthly TRR. Unless otherwise directed in this guidance, the organization *must* provide required notices in response to information received from CMS on either the weekly or monthly TRR, *whichever contains the earliest notification.*

MA organizations may not delay the processing of enrollment elections unless the beneficiary's election is being placed on a waiting list, as allowed under §40.5.

Refer to §40.2.5 for MA-PD enrollments in which an individual has other qualified prescription drug coverage through an employer or union group.

Special Rule for the Annual Coordinated Election Period (AEP):

Medicare Advantage (MA) organizations may not solicit submission of paper enrollment forms or accept telephone or on-line enrollment requests prior to the beginning of the AEP on November 15th. Brokers and agents under contract to MA organizations may not accept or solicit submission of paper enrollment forms prior to November 15th. MA organizations and their brokers and agents also should remind beneficiaries that they cannot submit enrollment requests until November 15th.

Despite these efforts, CMS recognizes that MA organizations may receive paper enrollment forms prior to the start of the AEP on November 15th, given that marketing activities may begin on October 1st. If an MA organization receives paper enrollment forms on or after October 1st but prior to November 15th, it must retain and process them as follows:

- Within 7 calendar days of the receipt of a paper enrollment request, the MA organization must provide the beneficiary with a written notice that acknowledges receipt of the complete enrollment request, and indicates that the enrollment will take effect on January 1 *of the following year (refer to Exhibits 4, 4a and 4d for model notices).*

- For *AEP* enrollment requests received prior to November 15th, the MA organization must submit all transactions to CMS systems (MARx) on November 15th with an “application date” of November 15th *of the current year. For example, unsolicited AEP paper enrollment requests received October 1 through November 14, 2007, must be submitted on November 15, 2007, with an application date of November 15, 2007.* If a beneficiary has submitted more than one AEP paper enrollment request prior to November 15th, the beneficiary will be enrolled in a plan based on the first application that is processed.
- Once the MA organization receives a MARx transaction reply report from CMS indicating whether the individual’s enrollment has been accepted or rejected, it must meet the remainder of the requirements (e.g., sending a notice of the acceptance or rejection of the enrollment within *10 calendar* days following receipt of the *transaction* reply report from CMS) provided in §40.4.2.

Note: If organizations receive incomplete unsolicited AEP paper enrollment requests prior to November 15th, they must follow existing guidance for working with beneficiaries to complete the applications.

Again, this policy applies only to the receipt of unsolicited paper enrollment forms prior to the beginning of the AEP on November 15th. To help ensure a successful AEP season, it is imperative that plans follow these steps and submit valid enrollment transactions promptly as directed.

40.1 - Format of Enrollment Elections

MA organizations must have, at minimum, a paper enrollment form process (as described in this chapter and approved through the CMS marketing material review process described in the Medicare Marketing Guidelines) available for potential enrollees to elect enrollment in an MA plan. MA organizations must also process auto- and facilitated enrollment elections into MA-PD plans as described in [§40.1.6](#) of this section.

MA organizations have the option to accept enrollment elections as described in §§40.1.2, 40.1.3, 40.1.4 and 40.1.5 below.

40.1.1 - Enrollment Form

The MA organization must use an enrollment form that complies with CMS’ guidelines in format and content. A model individual enrollment form is included as [Exhibit 1, a model MSA enrollment form is included as Exhibit 1b and](#) a model EGHP enrollment form is included as [Exhibit 2](#). For elections into another plan within the same MA organization, a model short enrollment form is included as [Exhibit 3](#); and a model plan selection form is included as [Exhibit 3a](#).

Enrollment forms must include information on enrollment election limitations, the consequence of enrollment, the requirement to continue to keep Medicare Part A and B, etc. Please refer to Exhibits 1 – 3a for complete information on the required statements.

No enrollment form or other enrollment election mechanism may include a question regarding whether the individual receives hospice coverage (except MSA plans) or any other health screening information, with the exception of questions regarding ESRD status and nursing home status (some additional exceptions apply for SNPs; please refer to §40.2, item “D” of this chapter).

Refer to [§60.9](#) for requirements regarding retention of enrollment forms.

40.1.2 - Optional Employer/*Union* MA Enrollment Election *Mechanism*

As described in [§20.4.1](#) of this chapter, beginning April 1, 2003, MA organizations that offer MA plans to *an* employer *or union* may choose to accept voluntary enrollment elections directly from *the* employer *or union* (or its TPA) without obtaining a *paper* MA election form from each individual. The elections reported to the MA organization *by the employer or union* will reflect the choice of retiree coverage individuals made using their employer’s *or union’s* process for selecting a health plan. This election mechanism is optional for MA organizations and may not be required. Therefore, MA organizations may specify the employers *or unions*, if any, from which they will accept this election format. It is the MA organization’s responsibility to ensure that the process it uses, as well as the process used by the employer *or union*, meets the following requirements:

- The MA organization must inform its Regional Office Plan Manager of its intent to use this mechanism and identify the employer group(s) *or union(s)* for which it will be accepting enrollments made in this manner.
- The enrollment information (i.e., the electronic file) submitted to the MA organization by an employer *or union* (or TPA) must accurately reflect the employer’s *or union’s* record of the election of coverage made by each individual according to the processes the employer *or union* has in place, and may be accepted without a *paper* MA election form.
- Sales package minimum information requirements are not changed by using this option. These include, but are not limited to, providing the applicable rules of the MA organization. Each individual’s enrollment election must clearly denote his/her agreement to abide by the MA organization rules, certify his/her receipt of required disclosure information and include authorization by the beneficiary for the disclosure and exchange of necessary information between the U.S. Department of Health and Human Services (and its designees) and the MA organization. The requirements for all other information provided to enrollees, both pre- and post-enrollment, are unchanged by this option and must be satisfied.
- The enrollment election transaction must include all the data necessary for the MA organization to determine each individual’s eligibility to make an election as described in [§20](#) of this chapter of the MMCM. Agreements with employer groups *or unions* should identify required data elements. A detailed list of these elements is provided as Appendix 2.
- This alternate election mechanism is used in place of paper MA election forms and does not require a signature. For purposes of compatibility with existing

instructions in this chapter, the application date of elections made in this manner will be the *first day of the month prior to the effective date of enrollment into the employer/union sponsored plan. This will ensure that any subsequent beneficiary-generated enrollment request will supersede the enrollment submitted by the employer or union.*

- Effective date calculation of voluntary elections and the collection and submission of elections to CMS will follow existing procedures.

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- To accept electronic records of employer *or union* elections, the MA organization must, at minimum, comply with the CMS security policies regarding the acceptable method of encryption utilized to provide for data security, confidentiality and integrity, and authentication and identification procedures to ensure both the sender and recipient of the data are known to each other and are authorized to receive and decrypt the information. (See the CMS web site at: <http://www.cms.hhs.gov/it/security> for additional information.)
- The employer's *or union's* record of the election must exist in a format that can be easily, accurately and quickly reproduced for later reference by each individual member, the MA organization and/or CMS, as necessary, and be maintained (by the employer/*union* or the MA organization, as they agree) following the guidelines for MA election forms (see §60.9). Included in this requirement is the MA organization's record of information received from the employer *or union*.

40.1.3 - Enrollment via the Internet

MA organizations may develop and offer enrollment elections into an MA plan via a secure internet web site. The following guidelines must be applied in addition to all other program requirements:

- Inform the CMS Regional Office plan manager of the intent to offer this enrollment election option
- Submit all materials and web pages for CMS approval following the established process for the review and approval of marketing materials
- Provide beneficiaries with all the information required by CMS' marketing guidelines for the MA program
- At a minimum, comply with CMS' internet security policies (found at: <http://cms.hhs.gov/it/security/>.on the web)
- Advise each individual at the beginning of the online enrollment process that he/she is sending an actual enrollment election to the MA organization
- Capture the same data as required on the *model* enrollment form (see *Exhibit 1 and* Appendix 2)
- As part of the online enrollment process include a separate screen or page that includes an "Enroll Now," or "I Agree," type of button, that the individual must

click on to indicate his/her intent to enroll and agreement to the release and authorization language, as provided on the model enrollment form (see Exhibit 1), and attest to the truthfulness of the data provided. The process must also remind the individual of the penalty for providing false information

- If a legal representative is completing this election mechanism, s/he must attest that s/he has such authority to make the election and that proof of this authority is available upon request by the MA organization or CMS
- Inform the individual of the consequences of completing the internet enrollment, including that s/he will be enrolled (if approved by CMS), and that s/he will receive notice (of acceptance or denial) following submission of the enrollment to CMS
- Include a tracking mechanism to provide the individual with evidence that the internet enrollment request was received (e.g. a confirmation number).
- While an internet enrollment process must provide the enrolling individual with the opportunity to choose premium payment withhold, it may not request or collect premium payment or other payment information, such as a bank account number or credit card numbers.
- Maintain electronic records that are readily reproducible for the period required in §60.8 of this chapter. *The organization's record of the election must exist in a format that can be easily, accurately and quickly reproduced for later reference by each individual member and/or CMS. A data extract file alone is not acceptable.*

Medicare Online Enrollment Center

In addition to the process described above, CMS offers an on-line enrollment center through the www.medicare.gov web site and the 1-800-MEDICARE Call Center for enrollment into Medicare Advantage plans and Medicare prescription drug plans. The date and time “stamped” by the Medicare Online Enrollment Center will serve as the *application* date for purposes of determining the election period and enrollment effective date.

40.1.4 - Enrollment via Telephone

MA organizations may accept requests for enrollment into their MA plans via an incoming (in-bound) telephone call. The following guidelines must be followed, in addition to all other applicable program requirements:

- Enrollment requests may be accepted only during an incoming (or in-bound) telephone call from a beneficiary.
- Individuals must be advised that they are completing an enrollment.
- Each telephonic enrollment request must be recorded (audio) and include a statement of the individual's agreement to be recorded, all required elements necessary to complete the enrollment (as described in Appendix 2), and a verbal

attestation of the intent to enroll. All telephonic enrollment recordings must be maintained as provided in section §60.8.

- Collection of financial information (e.g. a credit card or bank account number) is prohibited at any time during the call.
- A notice of acknowledgement and other required information must be provided to the individual as described in §40.4.1.

The MA organization must ensure that all MA eligibility and enrollment requirements provided in this chapter are met. Scripts for completing an enrollment request in this manner must be developed by the MA organization. The scripts must contain the required elements for completing an enrollment request as described in Appendix 2, and must receive CMS approval in accordance with CMS Marketing Guidelines before use.

40.1.5 - Seamless Conversion Enrollment Option for Newly Medicare Advantage Eligible Individuals

MA organizations may develop processes to provide seamless enrollment in an MA plan for newly Medicare Advantage eligible individuals who are currently enrolled in other health plans offered by the MA organization (such as commercial or Medicaid plans) at the time of their conversion to Medicare. CMS will review an organization's proposal and must approve it before use. Any such proposal must be sent to the MA organization's Regional Office plan manager with a copy to the Central Office plan manager and must meet the conditions provided in *this section* before such a process may be used.

- A description of the MA organization's process to identify individuals currently enrolled in a health plan offered by the organization. Such process must be able to identify these individuals no later than 120 days prior to the date of initial Medicare eligibility (the conversion date).
- A description of the outreach activity associated with the seamless conversion process including a written notice provided to each individual at least 90 days prior to the date of conversion. The notice must include clear information instructing the individual on how to opt-out, or decline, the seamless conversion enrollment.
- The process to opt-out or decline the seamless conversion enrollment must include both the opportunity to contact the MA organization in writing or by telephone to a toll-free number. The MA organization is prohibited from discouraging declination.
- Enrollment transactions submitted to CMS for these cases must always use the first day of an individual's ICEP as the application date in the transaction record. Doing so ensures that any subsequent action taken by the individual will take precedence in systems processing. In addition, the enrollment effective date must always be the date of the individual's first entitlement to **both** Medicare Part A and Part B.

- Plans must have beneficiary information, including HICN, date-of-birth and sex in order to process seamless conversion enrollments.

40.1.6 - Auto- *and Facilitated* Enrollment

All LIS eligible individuals who elect an MA plan without Medicare prescription drug benefits (“MA-only plan”) effective 2006 or later, will be auto- or facilitated enrolled into an MA-PD plan in the same organization. The auto- and facilitated enrollment processes will occur monthly. As noted in the preamble to the final regulation for Part D (Federal Register/Vol. 70, No. 18, January 28, 2005), the legal authority for both auto- and facilitated enrollment processes is technically termed “facilitated” enrollment, since auto-enrollment is limited to PDPs. However, the term “auto-enrollment” is used here to denote the process that applies to full-benefit dual eligible individuals, and “facilitated enrollment” to others with LIS.

CMS has safeguards in place to prevent existing MA and cost plan enrollees from being auto- or facilitated enrolled by CMS into a PDP. However, there may be instances in which a beneficiary election into an MA plan will not have been processed at the point in time when PDP auto- or facilitated enrollment occurs. In these cases, the beneficiary will receive a notice from CMS informing him/her that s/he has been enrolled into a PDP. However, once the beneficiary election into the MA organization is processed, it will prevail over the auto- or facilitated enrollment made by CMS.

Please note this section does not apply to MA organizations that only offer MA-PD plans, as all their enrollees already have Part D coverage. Nor does it apply to PFFS plans offered by organizations that do not offer any MA-PD plans (these beneficiaries qualify for the standard CMS auto-enrollment process into PDPs), nor to MA organizations in the U.S. territories, including Puerto Rico.

A. Populations

1. Auto-Enrollment

Full-benefit dual eligibles in MA-only plans will be auto-enrolled by the MA organization into an MA-PD plan. Full-benefit dual eligible individuals are defined as those eligible for comprehensive Title XIX Medicaid benefits as well as eligible for Medicare Part D. This includes those who are eligible for comprehensive Medicaid benefits plus Medicaid payment of Medicare cost-sharing (sometimes known as QMB-plus or SLMB-plus). Please note that full-benefit dual eligible individuals do not include those eligible only for Medicaid payment of Medicare cost-sharing (i.e. QMB-only, SLMB-only, or QI). In Part D, these distinctions are key to distinguishing full-benefit dual eligibles, who need to be auto-enrolled, from other types of dual eligibles, who need to be facilitated enrolled.

Full-benefit dual eligible individuals to be auto-enrolled include those who are full-benefit dual eligible upon initial enrollment into an MA-only plan, as well as existing Medicare enrollees of an MA-only plan who become newly Medicaid eligible. This includes full-benefit dual eligible MA-only enrollees who:

- *Live in the 50 states or the District of Columbia; and*

- *Regardless of whether the employer is claiming the retiree drug subsidy for that individual, or whether the individual is enrolled in an employer-sponsored MA-only plan, including MA-only “800” plans. Please see subsection F for specialized auto-enrollment procedures for these individuals.*

This excludes full-benefit dual eligibles who:

- *Live in any of the five U.S. territories;*
- *Live in another country;*
- *Are inmates in a correctional facility; or*
- *Have opted out of auto-enrollment into Part D benefits*
- *[For MA-PFFS only] Are already enrolled in a stand-alone Prescription Drug Plan*

2. Facilitated enrollment

Other LIS eligibles are defined as those deemed automatically eligible for LIS because they are QMB-only, SLMB-only, QI (i.e. only eligible for Medicaid payment of Medicare premiums and/or cost-sharing); SSI-only (Medicare and SSI, but no Medicaid); or those who apply for LIS at the Social Security Administration (SSA) or a State Medicaid Agency and are determined eligible for LIS. This includes those who apply and are determined eligible for either the full or partial level of the LIS.

Other LIS eligible individuals to be facilitated enrolled include those who are Other LIS eligible upon initial enrollment into an MA-only plan, as well as existing Medicare enrollees of an MA-only plan who become newly Other LIS eligible.

This includes Other LIS eligible MA-only enrollees who:

- *Live in the 50 states or the District of Columbia.*

This excludes Other LIS eligible individuals who:

- *Live in any of the five U.S. territories,*
- *Live in another country,*
- *Are individuals for whom the employer or union is claiming the retiree drug subsidy, or are enrolled in an employer-sponsored MA-only plan, including MA-only “800 series” plans,*
- *Are inmates in a correctional facility, or*
- *Have opted out of facilitated enrollment into the Part D benefit.*
- *[For MA-PFFS only] Are already enrolled in a stand-alone Prescription Drug Plan*

B. Auto/Facilitated Enrollment Process

The procedure for auto/facilitated enrollment is as follows:

1. *The MA organization will identify full-benefit dual eligibles to be auto-enrolled, and Other LIS eligibles to be facilitated enrolled. Please see subsection C for details on how to distinguish the two populations.*
 - a. *For full-benefit dual eligibles in an employer-sponsored MA-only plan, including “800” series plans, or with RDS, please follow the special procedures in section F.*
 - b. *For PFFS plans, the organization must exclude individuals who are already enrolled in a stand-alone PDP. The organization may submit a Batch Eligibility Query (BEQ) transaction or access the MARx online query (M232 screen) to determine whether individuals are enrolled in a stand-alone PDP.*
2. *The MA organization will then identify MA-PD plans in the same service area, and in the same MA organization, with the lowest combined Part C and Part D premium amount. If more than one MA-PD plan have the same lowest premium amount, auto-enrollment must be random among the available MA-PD plans. The selection of MA-PD plan is without regard to the Part C premium or cost-sharing.*

If an MA Special Needs Plan (SNP) meets these criteria, the MA organization must ensure that the individual meets the eligibility criteria for the SNP (e.g. type of dual eligible, type of chronic condition, or institutionalized). Please note the “MA full dual file” uses LIS deemed reason code to identify full duals, meaning they were full dual in at least one month in the past year. If the MA SNP does not meet the criteria of lowest combined Part C and D premium, the MA organization may not auto-enroll full benefit dual eligibles into it, even if it is a dual eligible SNP.

For PFFS plans, if the organization offers a stand-alone PDP in the same region with a basic benefit and a premium at or below the low-income premium subsidy amount for that region, the organization may auto/facilitate enrollment into that PDP. Organizations offering both an MA-PD PFFS plan and a stand-alone PDP must choose to auto/facilitate enroll into either the MA-PD plan or the PDP and must apply this policy consistently for all PFFS plans offered by the organization.

3. *Within 10 calendar days of identifying an individual as needing auto/facilitated enrollment, the MA organization sends an auto/facilitated enrollment notice to the beneficiary (see Exhibits 27, 27A, 28 and 28a).*
4. *If the person does not respond or opt-out by the deadline below, submit a Code 71 transaction (PBP change) for the auto/facilitated enrollment into the MA-PD plan and include the appropriate effective date (see subsection C). The new MA-PD plan will be notified of the auto/facilitated enrollment via a transaction reply.*
 - *Auto-enrollment – within 14 calendar days of sending notice*
 - *Facilitated enrollment – by last day before effective date of facilitated enrollment*

C. Effective Date of Auto/Facilitated Enrollments

1. Auto-Enrollment

The effective date of auto-enrollment is retroactive to the first day of the month the individual first became a full-benefit dual eligible, or January 1, 2006, whichever is later. For individuals who are full-benefit dual eligible upon enrollment into an MA-only plan, the effective date would be retroactive to the effective date of enrollment in the MA-only plan. For existing MA-only Medicare enrollees who subsequently become Medicaid eligible, the effective date is retroactive to the first day of the month the person became Medicaid eligible. In no case will the effective date of auto-enrollment precede the date that the individual became an enrollee of the MA organization.

There is nothing that prohibits a full-benefit dual eligible from initially electing an MA-only plan. To ensure they understand the consequences of doing so, marketing material and the acknowledgement letter emphasizes that prescription drugs are not covered.

2. Facilitated Enrollment

The effective date of facilitated enrollment for all Other LIS eligible members is the first day of the second month after the person is identified as qualifying for facilitated enrollment. For example, if the plan is notified in August 2006 that an existing member of an MA-only plan has become LIS eligible, the effective date is October 1, 2006.

The MA organization may move up the effective date of a facilitated enrollment by a month if an Other LIS beneficiary requests this in a timely fashion, i.e. before start of earlier month. If the person is a full or partial dual eligible, the SEP under §30.4.4 #5 should be used. If the person is a non-dual LIS eligible, the SEP in §30.4.4 #12 is available.

Example: The MA organization facilitates enrollment of an Other LIS eligible in May, 2007, effective July 1, 2007. The beneficiary receives the facilitated enrollment by the last day in May, and requests the MA organization makes the facilitated enrollment effective June 1. The MA organization submits an enrollment transaction to do so.

3. Distinguishing Between Full-Benefit Dual Eligible and Other LIS Individuals

MA organizations need to distinguish full benefit dual eligibles from others with LIS for purposes of setting the effective date. The first step is to identify all LIS eligibles in the MA-only plan. CMS does not transmit a data element to plans that can be used to distinguish full-benefit dual eligibles from other LIS. As a result, CMS sends a monthly “Auto Assignment Full Dual Notification File” (for file format and technical specifications, please see section 8.1 of the Plan Communications User Guide, on the CMS website at http://www.cms.hhs.gov/medicaremangcaresys/01_overview.asp?). This file identifies full-benefit dual eligibles.

Use the Auto Assignment Full Dual Notification File to identify the subset of the LIS enrollees in the MA-only plan who are full-benefit dual eligibles. To determine the auto-enrollment effective date, identify the LIS copay start date data provided on other files

(e.g. Transaction Reply Reports and LIS bi-weekly file). As noted above, there is no data element that distinguishes full-benefit dual eligibles from other LIS eligibles, so organizations must use the Full Dual Notification File to identify this group, then identify the start date of their current LIS copay effective date to determine the auto-enrollment effective date.

The remaining LIS eligibles in the MA-only plan qualify for facilitated enrollment, and the effective date should be set as noted in item 2 above.

D. Notice

The MA organization will notify the beneficiary in writing that she/he will be enrolled in the given MA-PD plan on the specified effective date. The notice must be sent within 10 calendar days of identifying the individual as qualifying for auto/facilitated enrollment. The notice will inform the beneficiary that they may choose another Part D plan (either another MA-PD plan or Original Medicare with a PDP) or opt out of auto/facilitated enrollment into the Part D benefit. If the beneficiary does not opt out, or choose another Part D plan within the specified deadline, the person's silence will be deemed to be an election of the auto/facilitated enrollment and it will take effect on the effective date. These individuals will also be informed they have a Special Enrollment Period (SEP) that permits them to change Part D plans, even after the auto/facilitated enrollment takes effect.

1. Auto-Enrollment

Please use the model notice language in Exhibit 27. For MA-PFFS auto-enrolling into a PDP, please use Exhibit 27a. The deadline for responding is 14 calendar days from when the notice is sent. The SEP available is continuous (i.e. full-benefit dual eligibles may change plans in any month).

2. Facilitated enrollment

Please use the model notice language in Exhibit 28. For MA-PFFS auto-enrolling into a PDP, please use Exhibit 28a. The deadline for responding is the last day before the facilitated enrollment effective date. The SEP available is continuous.

E. Opt-Out

Full-benefit dual eligible and Other LIS individuals may opt-out, or affirmatively decline, the Part D benefit. Beneficiaries may opt-out verbally or in writing. For an MA-only plan enrollee, this primarily means declining auto/facilitated enrollment into an MA-PD plan in the same organization and maintaining enrollment in the MA-only plan. MA organization may check the common User Interface to see if the individual has previously opted out; if so, the person should not be auto/facilitated enrolled. Once a beneficiary has opted out, the MA organization should document this and not include them in future auto-enroll processing.

The MA plan should counsel the individual to ensure they understand the implications of their request to decline, and should confirm this in writing (see Exhibit 29) within 10

calendar days of identifying the individual as qualifying for auto/facilitated enrollment. If a beneficiary opts out of auto/facilitated enrollment by the deadline in the auto/facilitated notice, do not submit an enrollment transaction that would move them to an MA-PD plan. This will have the effect of leaving them in the MA-only plan.

If the individual opts-out after the Code 71 transaction has been submitted, the effective date of returning to the MA-only plan is normally prospective, i.e. first day of the following month. However, through the 15th of the month after the month in which the notice was sent, at a full-dual eligible's request, the MA organization may restore the person to the MA-only plan retroactive to the auto-enrollment effective date. This is accomplished by submitting a Code 71 transaction with the same effective date, and setting the opt-out flag as noted below.

Individuals who want to opt-out of auto/facilitated enrollment into an MA-PD plan must do so with their MA organization, not through 1-800-MEDICARE. This differs from the procedure for individuals who want to opt-out of auto/facilitated enrollment into a stand-alone PDP. If a 71 transaction has already been submitted to move the person to the MA-PD plan, the MA organization sends another 71 transaction (to move the person back to the MA-only plan), setting the Part D Opt-Out Flag (field 38) to Y (opt-out of auto-enrollment)

An individual who opts out does not permanently surrender his or her eligibility for, or right to enroll in, a Part D plan; rather, this step ensures the person is not included in future monthly auto/facilitated enrollment processes. To obtain Part D benefits, the beneficiary simply makes a voluntary election into a plan that offers Part D benefits.

F. Special Procedures for Individuals With Employer Coverage

It is possible the MA organization will not be aware an individual has RDS until they submit a Code 71 transaction to auto/facilitate his/her enrollment. As with all enrollment transactions for individuals with RDS, MARx will enforce a two-step process, initially rejecting the transaction. The MA organization must follow normal procedures of confirming with the beneficiary that she/he wants to be enrolled in the Part D benefit and, if confirmed, resubmit the transaction with the employer subsidy override.

CMS is considering additional modifications to the procedure for auto-enrolling full-benefit dual eligible individuals with employer coverage (including RDS) and will provide these updates in future guidance.

G. Information Provided to Auto/Facilitated Enrolled Beneficiaries

The MA-PD plan into which the beneficiary has been auto/facilitated enrolled must send a modified version of the pre- and post-enrollment materials required to be provided to new enrollees. If the effective date is retroactive into the previous calendar year, only send the current year's version of the documents below.

Prior to effective date, the MA-PD plan must send:

- *The information required in §40.4.1, and*

- *A Summary of Benefits (those who are auto/facilitated enrolled still need to make a decision whether to stay with the plan into which they have been auto/facilitated enrolled or change to another one that better meets their needs). Providing the Summary of Benefits, which is considered marketing material normally provided prior to making an enrollment election, ensures that those auto/facilitated enrolled have a similar scope of information as those who voluntarily enroll.*

After the effective date of coverage:

- *The guidance in §40.4.2 applies, including guidance on what to do if the MA-PD plan is not notified early enough of an auto/facilitated enrollment to meet the timelines in §40.4.1 on materials required to be provided prior to the effective date.*

H. Summary of Differences Between Auto- and Facilitated Enrollment Processes

	Auto-Enrollment of Full Duals	Facilitated Enrollment of Other LIS
Frequency	Monthly	Monthly
Steps	<ul style="list-style-type: none"> • Identify full dual eligibles in MA-only plan who need to be enrolled into MA-PD plan • Send notice to beneficiary within 10 calendar days of identifying need for person to be auto-enrolled • If no answer or person does not opt out within 14 calendar days, submit 71 transaction to move to MA-PD plan 	<ul style="list-style-type: none"> • Identify non-full dual LIS beneficiaries in MA-only plan who need to be enrolled into MA-PD plan • Send notice to beneficiary within 10 calendar days of identifying need for person to be facilitated enrolled • If no answer or person does not opt out by last day before effective date of facilitated enrollment, submit 71 transaction to move to MA-PD plan
Who needs to be moved	<ul style="list-style-type: none"> • Full dual who newly enrolls in MA-only plan • Beneficiary in MA-only plan who recently became Medicaid eligible and is thus newly full dual 	<ul style="list-style-type: none"> • Non-full dual with LIS who newly enrolls in MA-only plan • Beneficiary in MA-only plan who recently became LIS-eligible
Who does not need to be moved	<ul style="list-style-type: none"> • Those who have already opted out • Those with RDS or employer coverage who do not consent to auto-enrollment 	<ul style="list-style-type: none"> • Those who have already opted out • Those with RDS • Those in “800 series” employer sponsored group plans

	Auto-Enrollment of Full Duals	Facilitated Enrollment of Other LIS
		<ul style="list-style-type: none"> Those in employer sponsored plans (other than “800 series” plans)

Data to identify those in MA-only plan who need to be moved to MA-PD plan	Monthly MA full dual file	LIS data (either TRR, or bi-weekly LIS file): <ul style="list-style-type: none"> Premium subsidy = 25, 50, 75 OR <ul style="list-style-type: none"> Premium subsidy = 100 AND <ul style="list-style-type: none"> LIS copay = 4 (15%) Or <ul style="list-style-type: none"> LIS copay = 1 (\$2/5) AND person is not on MA full dual file
Plan Into Which Beneficiary Should be Enrolled	MA-PD plan with the lowest combined Part C and D premium	MA-PD plan with the lowest combined Part C and D premium
Notice to send	Exhibit 27	Exhibit 28
Application date on transaction	First day of month prior to effective date of the enrollment	First day of month prior to effective date of the enrollment
Enrollment type	S = Special Enrollment Period	S = Special Enrollment Period
Effective date	<ul style="list-style-type: none"> First day of month person qualified for LIS (will be retroactive) Cannot be prior to start of enrollment in the MA-only plan 	<ul style="list-style-type: none"> First day of second month after person identified as needing enrollment Cannot be prior to start of enrollment in the MA-only plan
Opt out	<ul style="list-style-type: none"> Document and do not enroll again in future. Confirm with beneficiary (see Exhibit 29) If submitting 71 transaction to move beneficiary back to MA-only, set Opt-Out flag to Y (field 38) 	<ul style="list-style-type: none"> Document and do not enroll again in future. Confirm with beneficiary (see Exhibit 29) If submitting 71 transaction to move beneficiary back to MA-only, set Opt-Out flag to Y (field 38)

40.1.7 - Group Enrollment for Employer/Union Sponsored Plans

CMS is providing a process for group enrollment into an employer/union sponsored MA plan. CMS will allow an employer or union to enroll its retirees using a group enrollment process that provides CMS with any information the employer/union has on other insurance coverage for the purposes of coordination of benefits. *It is the MA organization's responsibility to ensure the group enrollment process meets all applicable MA enrollment requirements. MA organizations must ensure that contracts and other arrangements and agreements with employers and unions intending to use the group enrollment process make these requirements clear.*

The group enrollment process must include notification to each beneficiary as follows:

- All beneficiaries must be notified that the *employer or union* intends to enroll them in a MA plan that the *employer or union* is offering; and
- The beneficiary may affirmatively opt out of such enrollment; the process to opt-out; and any consequences to *employer or union* benefits opting out would bring; and
- This notice must be provided *by either the MA organization, employer or union* not less than *21* calendar days prior to the effective date of the beneficiary's enrollment in the *employer/union* sponsored MA plan.
- Additionally, the information provided must include a Summary of Benefits offered under the *employer/union* sponsored MA plan, an explanation of how to get more information about the MA plan, and an explanation on how to contact Medicare for information on other Medicare Health Plan options that might be available to the beneficiary. Each individual must also receive the information contained in Exhibit 2 under the heading "Please Read & Sign Below."

For enrollment processing purposes, the application date is the first day of the month prior to the effective date of the group enrollment. This will ensure that any subsequent beneficiary-generated enrollment request will supersede the group enrollment in CMS systems.

The employer/union must provide all the information required for the MA organization to submit a complete enrollment request transaction to CMS (please refer to Appendix 2 of *this* chapter for a complete list of the required data elements and any other relevant CMS systems guidance). Records must be maintained as outlined in §60.8 of this chapter.

40.1.8 - Enrollment for Beneficiaries in Qualified State Pharmaceutical Assistance Programs (SPAPs)

CMS will allow qualified SPAPs to submit enrollment requests in an agreed-upon electronic file format to MA Organizations as follows:

- The SPAP must attest, as required by §40.2.1 of this guidance that it has the authority under state law to enroll on behalf of its members.
- The SPAP must coordinate with the MA Organization to provide the required data elements for the plan to process and submit an enrollment request to CMS.
- The SPAP must provide a notice to its members in advance of submitting the requests that explains that it is enrolling on their behalf, how the enrollment works with the SPAP and how individuals can decline such enrollment.

In return, MA organizations that agree to accept mass enrollments from SPAPs are required to process them like any other enrollment and in accordance with notification timeframes. It is important for the MA organization to work with the contact at the SPAP in the event that the plan encounters any problems processing the enrollment request in the format provided. Because the SPAP is the authorized representative of the beneficiary, the plan is responsible for following up with the SPAP if the enrollment is incomplete in any way (to obtain missing information) or if the enrollment is conditionally rejected due to the existence of employer *or* union *sponsored* drug coverage (to confirm that the individual understands the implications of enrolling in a Part D plan).

40.2 - *Processing the Enrollment Request*

If an enrollment form or other enrollment mechanism is completed during a face-to-face interview, the MA organization should use the individual's Medicare card to verify the spelling of the name, and to confirm the correct recording of sex, Health Insurance Claim Number, and dates of entitlement to Medicare Part A and enrollment in Part B. If the form is mailed or faxed to the MA organization, or the election is made through another CMS approved method, the MA organization should verify this information with the individual via telephone or other means, or request that the individual include a copy of his/her Medicare card when mailing in the enrollment form.

Appendix 2 lists all the elements that must be filled out in order to consider an enrollment election "complete." If the MA organization receives an enrollment election that contains all these elements, the MA organization must consider the enrollment complete even if all other data elements on the enrollment election are not filled out. If an MA organization has received CMS approval for an enrollment election that contains data elements in addition to those included in Appendix 2, then the election is considered complete even if those additional elements are incomplete.

If an MA organization receives an enrollment election that does not have all necessary elements required in order to consider it complete, it must not deny the enrollment. Instead, the enrollment is considered incomplete and the MA organization must follow the procedures outlined in §40.2.2 in order to complete the enrollment. *The MA organization must always* check available systems (*i.e. BEQ, MARx online query*) for information to complete an enrollment before requiring the beneficiary to provide the missing information. For example, if a beneficiary failed to fill out the "sex" field on the enrollment, the MA organization could obtain this information via available systems rather than request the information from the beneficiary.

For *EGHP* enrollees, the MA Organization may choose to accept enrollment elections as described in §40.1.2 or §40.1.7. All required elements as listed in Appendix 2 must be included in the election record for the election to be considered complete (except signature). Follow the procedures outlined in §40.2.2 to address incomplete election *requests*.

For enrollment elections via the Internet, as described in §40.1.3, all required elements as listed in Appendix 2 must be included except a pen-and-ink signature. The individual enrolling via this method indicates his or her intent to enroll by completing the on-line

process (as described). Follow the procedures outlined in §40.2.2 to address incomplete elections.

The following should also be considered when completing an enrollment:

- A. Permanent Residence Information** - The MA organization should obtain the individual's permanent residence address to determine that he/she resides within the MA plan's service area. If an individual puts a Post Office Box as his/her place of residence on the enrollment election, the MA organization may consider the enrollment election incomplete and must contact the individual to determine place of permanent residence. If the applicant claims permanent residency in two or more states or if there is a dispute over where the individual permanently resides, the MA organization should consult the State law in which the MA organization operates and determine whether the enrollee is considered a resident of the State.

Refer to [§10](#) for a definition of "evidence of permanent residence," and [§20.3](#) for more information on determining residence for homeless individuals.

- B. Entitlement Information** - *Following the procedures outlined in the CMS Plan Communications User Guide, MA organizations must verify Medicare entitlement using the Batch Eligibility Query (BEQ) process or MARx online query (M232 screen) for all enrollment requests.*

Individuals are not required to provide evidence of entitlement to Medicare Part A and enrollment in Part B with the enrollment request. If the systems (BEQ or MARx online query) indicate that the individual is entitled to Medicare Part A and is enrolled in Part B, no further documentation of Medicare entitlement is needed from the individual.

If neither the BEQ nor MARx online query shows Medicare entitlement, the organization may consider the individual's Medicare ID card as evidence of Medicare entitlement.

If the organization is not able to verify entitlement through available systems *or Medicare ID card*, refer to [§40.2.2](#) for additional procedures.

For Auto and Facilitated enrollments, as described in [§40.1.6](#) of this chapter, entitlement verification is deemed complete, as the individual is already an MA enrollee.

- C. Effective Date of Coverage** - The MA organization must determine the effective date of coverage as described in [§30.5](#) for all enrollment elections. If the individual fills out an enrollment form in a face-to-face interview, then the MA organization representative may advise the individual of the proposed effective date, but must also stress to the individual that it is only a proposed effective date and that the individual will hear directly from the MA organization to confirm the actual effective date. The MA organization must notify the member of the effective date of coverage prior to the effective date (refer to [§40.4](#) for more

information and a description of exceptions to this rule), and must write the actual effective date on the enrollment form where applicable.

With the exception of some SEPs and when election periods overlap, beneficiaries may not choose their effective date (effective dates are described in §30.5). Instead, the MA organization is responsible for assigning the appropriate effective date based on the election period. During face-to-face enrollments, the MA organization staff are responsible for ensuring that a beneficiary does not choose an effective date that is not allowed under the requirements outlined in §30.5.

If a beneficiary completes an enrollment election with an unallowable effective date, or if the MA organization allowed the beneficiary to choose an unallowable effective date, the MA organization must notify the beneficiary in a timely manner and explain that the enrollment must be processed with a different effective date. The organization should resolve the issue with the beneficiary as to the correct effective date, and the notification must be documented. If the beneficiary refuses to have the enrollment processed with the correct effective date, the beneficiary can cancel the election according to the procedures outlined in §60.2.1.

For auto and facilitated enrollments, refer to §40.1.6 of this chapter for more information.

D. Health Related Information - MA organizations may not ask health screening questions during completion of the enrollment election. MA organizations are only permitted to send health assessment forms after enrollment. However, MA organizations may ask very limited health status questions related to a beneficiary's eligibility to join an MA plan such as whether the individual has ESRD, is enrolled in Medicaid, or is currently admitted to a certified Medicare/Medicaid institution. Queries for this information are included on the model individual enrollment form in Exhibit 1, and the model EGHP form in Exhibit 2. These queries are not considered to be health screening questions. With the exception of information obtained on ESRD status, the responses to these questions must not have an affect on eligibility to enroll in an MA plan.

Exception for certain MA-SNPs - An SNP that is being offered to individuals with certain medical conditions (i.e. an SNP for chronic and disabling conditions), as permitted by CMS, will need to establish that the individual has such a condition to determine eligibility for enrollment in that specific SNP. Refer to §20.11 for more information.

E. Statements of Understanding - As outlined in §20.5, a beneficiary must understand and agree to abide by the rules of the MA plan in order to be eligible to enroll. It is at the MA organization's discretion to decide whether it will:

- List the statements of understanding and consider the beneficiary signature on the form (or completion of the election process) to signify that the individual has read and understands the statements (as shown on Exhibits 1, *1b*, 2 and 3); or

- Have fields next to the statements and require the *applicant*'s initials next to each statement.

The MA organization must apply the policy consistently. If the MA organization requires the initials and the *applicant* fails to initial his/her understanding of each item listed on the enrollment form, the MA organization may contact the *applicant* to clarify the MA organization rules in order to complete the enrollment form. The MA organization must document the contact and annotate the outcome of the contact. If the MA organization is unable to contact the *applicant* to ensure their understanding, the enrollment form would be considered incomplete.

- F. *Applicant* Signature and Date** - The individual must sign the enrollment form or complete the enrollment election mechanism. If the individual is unable to do so, a legal representative must sign the enrollment form (refer to §40.2.1 for more detail) or complete the election mechanism. If a legal representative enrolls an individual, the legal representative must attest to having the authority under State law to do so, and confirm that a copy of the proof of court-appointed legal guardian, durable power of attorney, or proof of other authorization required by State law that empowers the individual to effect an election on behalf of the applicant is available and can be presented upon request by the MA organization or CMS.

The individual and/or legal representative must indicate his/her relationship to the individual and date he/she signed the enrollment form or completed the enrollment election; however, if he/she inadvertently fails to include the date on the enrollment election, then the date the MA organization receives the election may serve as the signature date of the form.

If a paper enrollment form is submitted and the signature is not included, the MA organization may verify with the individual with a phone call and document the contact, rather than return the paper enrollment form as incomplete.

Certain election mechanisms do not include a pen-and-ink, or “wet,” signature. Follow the specific procedures provided for the other election mechanism in this chapter; for example, see §40.1.3 for information about enrollment via the internet.

For auto and facilitated enrollment as described in §40.1.6, an enrollee signature is not required.

- G. Other Signatures** - If the MA organization representative helps the individual fill out the enrollment form, then the MA organization representative must also sign the enrollment form. However, the MA organization representative does not have to co-sign the form when:

- He/she pre-fills the individual's name and mailing address when the individual has requested that an enrollment form be mailed to him/her,
- He/she fills in the “office use only” block, and/or

- He/she corrects information on the enrollment form after verifying information (see “final verification of information” below).

The MA organization representative does have to co-sign the form if he/she pre-fills any other information, including the individual’s phone number.

H. Old *Enrollment Requests* - If the MA organization receives an enrollment *request* that was *executed* more than 30 calendar days prior to the MA organization’s receipt of the *request*, the MA organization is encouraged to contact the individual to re-affirm intent to enroll prior to processing the enrollment and to advise the beneficiary of the upcoming effective date.

I. Determining the Application Date - The MA organization must date all enrollment elections as soon as they are initially received. *Except for enrollment requests submitted via the CMS Online Enrollment Center, requests made by the group enrollment mechanism and auto or facilitated enrollments, the date* the enrollment election is *initially* received is equivalent to the “application date” (refer to §10 for definitions of “receipt of election,” “completed election” and “application date”). If the enrollment election is not complete at the time it is received, then the additional documentation required for the enrollment election to be complete must be dated as soon as it is received.

J. Final Verification of Information - Some MA organizations verify information before enrollment information has been transmitted to CMS. In these cases the MA organization may find that it must make corrections to an individual’s *paper* enrollment form. The MA organization should make those corrections, and the individual making those corrections must place his/her initials and the date next to the corrections. A separate “correction” sheet, signed and dated by the individual making the correction, may be used by the MA organization (in place of the initialing procedure described in the prior sentence), and should become a part of the enrollment file. These types of corrections will not result in the MA organization having to co-sign the enrollment form.

K. Premiums Owed to the MAO - For individuals enrolling in an MA-only (non MA-PD) plan, an MA organization may choose to wait for an enrolling individual’s payment of the MA-only plan premium before considering the enrollment election complete. An MA organization cannot consider an enrollment election incomplete if the individual enrolling has indicated that he or she wants the plan premium withheld from an SSA benefit check.

For enrollment into either an MA-only or MA-PD plan, an MA organization may consider an enrollment election incomplete if there are premium amounts due to the organization from a prior enrollment, whether or not premium withhold from an SSA benefit check is selected.

The option chosen by the MA plan to consider the application complete or incomplete must be applied consistently to all potential enrollees of the plan.

L. Completed Enrollment Elections - Once the enrollment election is complete, the MA organization must transmit the enrollment to CMS within the time frames

prescribed in §40.3, and must send the individual the information described in §40.4 within the prescribed time frames. There are instances when a complete enrollment can turn out to be legally invalid. These instances are outlined in §40.6.

M. Plan Premium Withhold Option - *If the individual does not select a premium payment option, the default action will be direct bill. Currently, individuals have the option to have premiums withheld from their SSA benefit check. At this time, neither RRB nor OPM is able to process withhold requests.*

N. Additional Information for MA-PD Enrollment Elections – *Individuals enrolling in a Part D plan* must disclose any other existing coverage for prescription drugs.

O. Part D Payment Demonstrations - Employer or union groups are prohibited from making payments of any kind on behalf of an individual enrolling in a Part D payment demonstration plan. Except for current MA enrollees who are becoming enrollees of an MA-PD Part D payment demonstration plan through the plan renewal process, each new individual enrolling in such a plan will be required to provide an attestation regarding employer or union group payment. MA organizations must include the following attestation statement along with the other required “statements of understanding” in all enrollment requests vehicles (e.g. the enrollment form) for individuals joining a Part D Payment Demonstration MA-PD plan:

“By joining this plan, I attest that I am not receiving any financial support from my current or former employer group or union (or my spouse's current or former employer group or union) intended for the purchase of prescription drugs or prescription drug coverage or to pay for, in whole or in part, my enrollment in a Medicare drug plan.”

40.2.1 - Who May *Complete An Enrollment or Disenrollment Request*

A Medicare beneficiary is generally the only individual who may execute a valid election for enrollment in or disenrollment from an MA plan. However, another individual could be the legal representative or appropriate party to execute an enrollment request as the law of the State in which the beneficiary resides may allow. The CMS will recognize State laws that authorize persons to effect an election for Medicare beneficiaries. For example, persons authorized under State law may be court-appointed legal guardians, persons having durable power of attorney for health care decisions or individuals authorized to make health care decisions under State surrogate consent laws, provided they have authority to act for the beneficiary in this capacity.

If a Medicare beneficiary is unable to sign an enrollment form or disenrollment request or complete an enrollment mechanism due to reasons such as physical limitations or illiteracy, State law would again govern whether another individual may execute the election on behalf of the beneficiary. Usually, a court-appointed guardian is authorized to act on the beneficiary's behalf. If there is uncertainty regarding whether another person may sign for a beneficiary, MA organizations should check State laws regarding the

authority of persons to sign for and make health care treatment decisions for other persons.

Where MA organizations are aware that an individual has a representative payee designated by SSA to handle the individual's finances, MA organizations should contact the representative payee to determine his/her legal relationship to the individual, and to ascertain whether he/she is the appropriate person, under State law, to execute the enrollment request. Representative payee status alone is not sufficient to enroll a Medicare beneficiary.

When someone other than the Medicare beneficiary completes an enrollment or disenrollment request, he or she must attest to having the authority under State law to do so and confirm that authorization, if any, required by State law that empowers the individual to effect an election on behalf of the applicant is available and can be provided upon request to the MA organization or CMS. The MA organization must retain the record of this attestation as part of the record of the enrollment election. CMS will provide a sample attestation as part of the model MA enrollment form (*Exhibit 1*). Organizations may not require such documentation as a condition of enrollment.

40.2.2 - When the Enrollment Election Is Incomplete

When the enrollment election is incomplete, the MA organization must document all efforts to obtain additional documentation to complete the enrollment election and have an audit trail to document why the enrollment election needed additional documentation before it could be considered complete. *The organization must make this determination and notify the individual within 10 calendar days of receipt of the request that additional information is needed for the enrollment request.*

For AEP elections, additional documentation to make the request complete must be received by December 31, or within 21 calendar days (whichever is later). For all other enrollment periods, additional documentation to make the request complete must be received by the end of the month in which the enrollment request was initially received, or within 21 calendar days (whichever is later).

If additional documentation needed to make the election "complete" is not received within *allowable time frames*, the organization must deny the enrollment using the procedures outlined in §40.2.3.

Requesting Information from the Beneficiary - To obtain information to complete the enrollment election, the MA organization must contact the individual to request the information *within ten calendar days of receipt of the enrollment request* (see Exhibit 5 for a model letter). If the contact is made orally, the MA organization must document the contact and retain the documentation in its records. The MA organization must explain to the individual that the individual has 21 calendar days in which to submit the additional information or the enrollment will be denied. Since an incomplete election is an invalid enrollment (as explained in §40.6), if the additional documentation is not received within *allowable time frames*, the MA organization must send a denial of enrollment letter (see Exhibit 7 for a model denial of enrollment letter).

If all documentation is received within allowable time frames and the enrollment election is complete, the MA organization must transmit the enrollment to CMS within the time frames prescribed in [§40.3](#), and must send the individual the information described in [§40.4](#).

40.2.3 - MA Organization Denial of Enrollment

MA organization denials occur before the organization has transmitted the enrollment to CMS. An MA organization must deny an enrollment *within 10 calendar days of receiving an enrollment request* based on (1) Its own determination of the ineligibility of the individual to elect the MA plan and/or, (2) An individual not providing information to complete the enrollment election within the time frames described in [§40.2.2](#).

Notice Requirement - The organization must send notice of the denial to the individual that includes an explanation of the reason for denial (refer to [Exhibit 7](#) for a model notice). This notice *must* be sent within *ten calendar* days of *either 1) receipt of the enrollment request or 2) expiration of the time frame for receipt of requested additional information, as described in the following examples:*

- An MA organization receives an enrollment election from an individual on January 7 and determines on that same day that the individual is ineligible due to place of residence. The organization should send notice of denial within *ten calendar* days from January 7.
- An MA organization receives an enrollment form on January 7 from an individual, identifies the enrollment form as incomplete, and notifies the individual of the need for additional information, on January 10. The beneficiary does not submit the information by January 31 (as required under [§40.2.2](#)), which means the organization must deny the enrollment. The organization should send notice of denial within *ten calendar* days from January 31.

40.2.4 - ESRD and Enrollment

If an MA organization is aware that an individual electing a plan no longer requires regular dialysis or has received a kidney transplant (e.g., the individual informs the MA organization that this has occurred), then the MA organization should request that the individual submit medical documentation (i.e., a letter from the physician that documents that the individual has received a kidney transplant or no longer requires a regular course of dialysis to maintain life), using the procedures outlined in [§40.2.2](#). Upon receipt of this documentation, the MA organization should enroll the beneficiary using the override procedures described in Chapter 19 (Managed Care and MA Systems Requirements).

If an individual indicates on the enrollment election that he/she does not have ESRD, but the MA organization receives a transaction reply report containing a “code 45” or “code 15” rejection (an explanation of transaction reply codes is contained in Chapter 19), the MA organization should investigate further to determine whether the individual is eligible to enroll. To determine eligibility, the MA organization should contact the individual to request medical documentation using the procedures outlined in [§40.2.2](#).

Contact can be made orally, in which case the MA organization must document the contact and retain the documentation in its records.

If the MA organization learns that the individual has received a kidney transplant which has restored kidney function or that the individual no longer requires a regular course of dialysis to maintain life, then the individual must be permitted to enroll in the MA plan if other applicable eligibility requirements are met. When this occurs, the MA organization must contact CMS (or its designee) to override the system rejection. The following documentation must be submitted:

1. Evidence of contact with the individual after the system rejection, including the individual's explanation for rejection (i.e., successful transplant), and medical documentation, i.e., a letter from the physician.
2. A copy of the transaction reply report or, if using the services of a CMS subcontractor, a report indicating the MA organization's attempts to enroll the individual and the resulting rejection.

Once received and approved, CMS (or its designee) will override the enrollment rejection for the individual.

ESRD and MA Plan Terminations

Certain individuals with ESRD who have been impacted by MA terminations will be permitted to make one election into a new MA plan (refer to [§20.2](#) for a discussion of who is eligible to make an election). Beneficiaries will be instructed to save their notification letters to present, if requested, to MA organizations as proof of their eligibility to join a plan. The CMS' system will edit incoming enrollment transactions for ESRD beneficiaries to determine:

1. If they were a member of a terminating or terminated MA plan; and
2. If they have already used their one election.

Enrollments for these individuals should be submitted as normal transactions with all other transactions. The enrollment will be allowed if the individual is eligible, and will be rejected if not.

40.2.5 - MA-PD enrollment when an individual has other qualified prescription drug coverage through an employer or union *Retiree Drug Subsidy (RDS) Plan Sponsor*

CMS systems will compare MA-PD enrollment transactions to information CMS has regarding the existence of employer or union sponsored qualified prescription drug coverage *for which the beneficiary is also being claimed for the Retiree Drug Subsidy (RDS)*. If there is a match indicating that the individual may have such other coverage, the enrollment will be conditionally rejected by CMS systems as incomplete.

Within 10 calendar days of receipt of the Code 127 conditional rejection, the MA organization must contact the individual to confirm the individual's intent to enroll, and that the individual has discussed and understands the implications of enrollment in a Part D plan on his or her employer or union coverage. Individuals will have 30 calendar days from the date they are contacted to respond. The organization may contact the individual in writing (See Exhibit 6b) or by phone and must document this contact and retain it with the record of the individual's enrollment request. If the individual indicates that s/he is fully aware of any consequence to his/her employer or union coverage brought about by enrolling in the Part D Plan, and confirms s/he still wants to enroll, the MA organization must update the transaction with the appropriate "flag" (detailed instructions for this activity are included with CMS systems guidance) and re-submit it for enrollment. The effective date of enrollment will be based upon the individual's initial enrollment request. This effective date may be retroactive in the event that the confirmation step occurs after the effective date.

MA organizations are encouraged to closely monitor their outreach efforts and to follow up with applicants prior to expiration of the 30 day timeframe. If the individual does not respond in 30 days, the enrollment must be denied because the individual failed to provide the additional information requested. A denial notice must be provided (see Exhibit 7).

When an employer or union sponsored MA-PD plan is replacing an existing RDS plan offered by that employer or union group, the MA organization may receive the Code 127 conditional rejection. In these cases it is not necessary to contact each individual, as described above. The MA organization must resubmit the transactions updated with the appropriate flag.

MA organizations should work in close collaboration with employer/union sponsors who are replacing RDS coverage with Part D coverage to ensure that all individuals are aware of the change and have the information they need.

40.3 - Transmission of Enrollments to CMS

For all enrollment requests *effective January 1, 2008, or later* that the organization is not denying per the requirements in §40.2.3, the MA organization must submit the information necessary for CMS to add the beneficiary to its records as an enrollee of the MA organization within 7 calendar days of receipt of the **completed** enrollment election. In the case of elections that are accepted after the MA organization is enrolled to capacity, but as a vacancy occurs, the MA organization must submit the information within 7 calendar days after a vacancy has become available.

All enrollment elections must be processed in chronological order by date of receipt of completed enrollment elections (refer to §40.5 for procedures when the MA plan is closed for enrollment).

MA organizations are encouraged to submit transactions by the earliest possible MA organization processing cutoff date (refer to Chapter 19). However, if the organization misses the cutoff date, it must still submit the transactions within the required 7 calendar day time frame.

NOTE: The requirement to submit the transaction within *7* calendar days does not affect the effective date of the individual’s coverage under the plan, i.e., the effective date must be established according to the procedures outlined in §§30.5 and 30.7.

More detail on how MA organizations must submit transmissions to CMS are contained in Chapters 19 and 20 of the *Medicare Managed Care Manual*.

40.4 - Information Provided to Member

Much of the enrollment information that an MA organization must provide to the member must be sent prior to the effective date of coverage. However, some information will be sent after the effective date of coverage.

As discussed previously (§40), the organization *must* provide required notices in response to information received from CMS on the TRR *that provides the earliest notification. In most instances, the weekly TRR will contain the earliest notification.*

The organization may provide the required notices *described* in §§40.4.1 and 40.4.2 *or may utilize* a single (“combination”) notice (*see Exhibit 4b*). *To use the combination notice, the organization must be able to provide this notice* within *7 calendar* days of the *availability* of the TRR. *Additionally, when following this option to use the combination notice, if the organization is unable to ensure that the beneficiary will receive this combination notice prior to the enrollment effective date (or within timeframes for incomplete enrollment requests or enrollments received at the end of the month), the organization still must ensure that the beneficiary has the information required in §40.4.1 within the timeframes described therein.*

40.4.1 - Prior to the Effective Date of Coverage

Prior to the effective date of coverage the MA organization must provide the member with all the necessary information about being a Medicare member of the MA organization, the MA organization rules, and the member’s rights and responsibilities. (An exception to this requirement is described in §40.4.2.) The MA organization must also provide the following to the individual:

- A copy of the enrollment form, where applicable, if the individual does not already have a copy of the form
- A notice acknowledging receipt of the completed enrollment election (refer to Exhibits 4, 4a, and 4d for model letters) and showing the effective date of coverage. *This notice must be provided* no later than *10 calendar* days after receipt of the completed enrollment election. (*Organizations choosing to use the combination notice, refer to 40.4 above*)
- *Proof* of health insurance coverage so that he/she may begin using plan services as of the effective date. *This proof must include the 4Rx data necessary to access benefits.*

NOTE: This *proof of coverage* is not the same as the Evidence of Coverage document described in the Medicare Marketing Guidelines. The *proof of coverage* may be in the form of member *ID* cards, the enrollment form, and/or a notice to the member (refer to Exhibits 4, *4a*, *4b* and *4d*, which are model letters with optional language that would allow the member to use the letter as evidence of health insurance coverage until he/she receives a member card). *As of the effective date of enrollment, plan systems should indicate active membership.*

Regardless of whether an election is made in a face-to-face interview, by fax, by mail, or by other mechanisms defined by CMS, the MA organization must explain:

- The charges for which the prospective member will be liable, e.g., any premiums, coinsurance, fees or other amounts; and any amount that is attributable to the Medicare deductible and coinsurance, if this information is available at the time the acknowledgement notice is issued (confirmation notices and combination acknowledgement/confirmation notices must contain this information).
- The prospective member's authorization for the disclosure and exchange of necessary information between the MA organization and CMS.
- The lock-in requirement. The MA organization must also obtain an acknowledgment by the individual that he/she understands that care will be received through designated providers except for emergency services and urgently needed care.
- The potential for *financial* liability if it is found that the *individual* is not entitled to Medicare Part A and Part B at the time coverage begins and *he/she* has used MA plan services after the effective date.
- The effective date of coverage and how to obtain services prior to the receipt of an ID card (if the MA organization has not yet provided the ID cards).

40.4.2 - After the Effective Date of Coverage

The CMS recognizes that *in some instances* the MA organization will be unable to *provide the materials and required notifications to new enrollees prior to the effective date, as required in §40.4.1*. These cases will *generally* occur *when an enrollment request is received late in a month with an effective date of the first of the next month*. In these cases, the MA organization *still must provide* the member all materials described *in §40.4.1* no later than *10 calendar* days after receipt of the completed enrollment *request*. *Additionally*, the MA organization is also strongly encouraged to call *these new members as soon as possible (such as within 1-3 calendar days)* to provide the effective date, *the* information *necessary* to access benefits and *to* explain the MA organization rules.

Acceptance/Rejection of Enrollment - Once the MA organization receives a transaction reply report from CMS indicating whether the individual's enrollment has been accepted or rejected, the MA organization must notify the individual in writing of CMS' acceptance or rejection of the enrollment within *ten calendar* days of the availability of the *weekly or monthly* transaction reply report, *whichever contains the earliest notification of the acceptance or rejection* (see Exhibits 6, *6a*, *6c* and 8 for model letters).

The enrollment confirmation notice must explain the charges for which the prospective member will be liable, e.g., any premiums, coinsurance, fees or other amounts; and any amount that is attributable to the Medicare deductible and coinsurance. For those eligible for the low-income subsidy, the enrollment confirmation notice must specify the limits applicable to the level of subsidy to which the person is entitled.

There are exceptions to this notice requirement for certain types of transaction rejections, so as not to penalize the beneficiary for a systems issue or delay, such as a plan transmission *or keying* error, resulting in an enrollment rejection due to no Medicare Part A and/or no Medicare Part B when the MA organization has evidence to the contrary. In this case, the MA organization should not send a rejection notice and must request a retroactive enrollment from CMS (or its designee) within 45 days from the availability of the initial transaction reply report. If CMS (or its designee) is unable to process the retroactive enrollment due to its determination that the individual does not have Medicare Part A and/or Part B, the MA organization must reject the enrollment and should notify the individual of the rejection in writing within *ten calendar* days after CMS' (or its designee's) determination. Retroactive enrollments are covered in more detail in §60.4.

If an MA organization rejects an enrollment and later receives additional information from the individual showing entitlement to Medicare Part A and enrollment in Part B, the MA organization must obtain a new enrollment election from the individual in order to enroll the individual, and must process the enrollment with a current (i.e., not retroactive) effective date. Refer to §60.4 for more information regarding retroactive enrollments and the 45-day requirement.

40.5 - Enrollment Processing During Closed Periods

As described in §40.3, an MA organization must process elections in order by date of receipt of completed enrollment election when it is open for enrollment. However, an MA organization may close an MA plan during the OEP (as described in §30.3) or when it reaches a CMS-approved capacity limit. This section addresses procedures for handling enrollments that arrive at the MA organization when an MA plan is closed for enrollment, and for processing those enrollments when the MA plan re-opens or a vacancy occurs.

If an MA organization believes its MA plan does not have the capacity to accept additional members, or as the MA plan enrollment grows and the MA organization estimates it may reach capacity during its next open enrollment period, the MA organization may request a CMS-approved limit on enrollment.

A capacity limit allows an MA organization to close or limit enrollment during the AEP, ICEP, and SEP. Only with a reserved vacancy may an MA organization set aside vacancies for enrollment of conversions. Refer to Chapter 1 (General Administration) of the Managed Care/Medicare Advantage Program for more detail on how and when to request a capacity limit.

40.5.1 - Procedures After Reaching Capacity

If the number of individuals who elect to enroll in an MA plan exceeds a CMS-approved capacity limit, then the MA organization may limit enrollment of these individuals, but only if it provides priority in acceptance.

If an MA organization receives completed enrollment elections between the time it reaches its limit and the time CMS approves the limit, it may follow one of two options **after it receives approval from CMS to limit enrollment:** (1) Deny the enrollment due to the onset of the capacity limit, or (2) Place the enrollment on a waiting list to be processed as vacancies occur in the priority of acceptance. This priority requires that the MA organization process enrollments from individuals who elected the MA plan prior to CMS' determination that the capacity has been exceeded, in order based on date of receipt of the completed enrollment election, and in a manner that does not discriminate on the basis of any factor related to health as described in 42 CFR §422.110.

The MA organization must take the same action for all enrollment elections received. See below for procedures for following options 1 or 2.

After the enrollments discussed in the above paragraph are acted upon, the MA organization has similar options for handling any additional enrollment requests received while the plan is closed for enrollment. The MA organization may follow one of two options: (1) Deny the enrollment due to the capacity limit, or (2) Place the enrollment on a waiting list to be processed when the plan re-opens for enrollment. However, to ensure no discrimination is applied to applications processed, all MA organizations that use option 1 (i.e., deny enrollment) for enrollments discussed in the above paragraph, must continue to deny all enrollments received while the plan is closed for enrollment, and may not use option 2. The MA organization must take the same action for all enrollment forms received. In the case of enrollments received after the plan closes for enrollment, the date the MA plan re-opens becomes the "receipt date" of enrollment forms received when the plan was closed.

EXAMPLE

If the plan was closed in April and re-opens on May 1, then the receipt date of enrollment elections received in April is May 1. See below for procedures for following options 1 or 2.

If the MA Organization Uses Option 1 - It must notify the individual in writing that it is denying the enrollment, and should do so within *ten calendar* days after it receives the enrollment election or after the MA organization receives approval from CMS to limit enrollment (Exhibit 7). Please note that CMS encourages MA organizations to use this option if they expect that there will be no enrollment opportunities for longer than one month. This reduces the likelihood of multiple transactions and/or mistaken disenrollments that would occur if a potential applicant enrolls in another MA plan while waiting for the original MA plan to re-open.

If the MA Organization Uses Option 2 - It must notify the individual in writing that he/she has been placed on a waiting list, and should do so within *ten calendar* days after the MA organization receives the enrollment election or after the MA organization receives approval from CMS to limit enrollment. The notice must also provide an

estimated length of time that the individual will be on a waiting list and instruct the individual that he may cancel his enrollment before a vacancy occurs.

As enrollment spaces become available, if the plan was closed for more than 30 calendar days since the receipt of the enrollment form, the MA organization must contact (orally or in writing) the individual to re-affirm the individual's intent to enroll before processing the enrollment. (The MA organization may make this contact even if the plan was closed for less than 30 days.) Within *ten calendar* days after contacting the individual, the MA organization must send written notice of intent to not process the enrollment to all individuals who state they are no longer interested in being enrolled in the MA plan.

For individuals who indicate their continued interest in enrollment, the MA organization must document the individual's expressed interest to continue enrollment. This may be done via phone contact report, notation on the enrollment form, etc.

There may be situations in which the MA organization has closed enrollment in a service area, yet receives an approval for a capacity limit for a portion of that same service area. Given that MA plans are either open or closed for an ENTIRE service area, any vacancies which may open up may only be filled by individuals in their ICEP or SEP by applying the rules of accepting enrollments when MA plans are closed (see §40.5.2 below). Further, it must take those individuals based upon enrollments received in chronological order.

40.5.2 - Procedures After Closing During the OEP

As stated in §30, an MA organization must accept all elections for its MA plans made during the AEP, ICEP, or SEP. However, an MA organization may not process **OEP** enrollments for a plan when the plan is closed for enrollment during the OEP.

If an MA plan is closed during the OEP and receives new OEP enrollment forms or documentation to complete OEP enrollment forms already received by the MA organization, then the MA organization may do one of the following. The MA organization must take the same action for all enrollment forms received while the plan is closed:

1. Deny the enrollment;
2. Continue to accept the completed enrollment forms to be placed on a waiting list.

If the MA Organization uses option #1 above - It must notify the individual in writing that it is denying the enrollment, and should do so within *ten calendar* days after it receives the enrollment election (Exhibit 7). Please note that CMS encourages MA organizations to use this option if they expect that there will be no enrollment opportunities for longer than one month. This reduces the likelihood of multiple transactions and/or mistaken disenrollments that would occur if a potential applicant enrolls in another MA plan while waiting for the original MA plan to re-open.

If the MA Organization uses option #2 above - it must notify the individual in writing that he/she has been placed on a waiting list. The notice must inform the individual that the enrollment request will not be processed until the plan re-opens for enrollment, must

include the date the plan will re-open, and must inform the individual that he/she may cancel the request for enrollment before the plan re-opens. All individuals who wish to wait for an opening must be placed on the waiting list.

After the MA plan re-opens, if the plan was closed for more than 30 calendar days since the MA organization received the enrollment election, it must contact (orally or in writing) the individual to re-affirm the individual's intent to enroll before processing the enrollment. (The MA organization may make this contact even if the plan was closed for less than 30 days.) The MA organization must send written notice of intent to not process the enrollment to all individuals who state they are no longer interested in being enrolled in the MA plan, and should do so within *ten calendar* days after contacting the individual.

For individuals who indicate their continued interest in enrollment, the MA organization must document the individual's expressed interest to continue enrollment. This may be done via phone contact report, notation on the enrollment form, etc. The date the MA plan re-opened becomes the "receipt date" of enrollment forms received when the plan was closed.

EXAMPLE

If the plan was closed in February and re-opens on March 1, then the receipt date of enrollment forms received in February is March 1.

40.6 - Enrollments Not Legally Valid

When an enrollment is not legally valid, a retroactive cancellation of enrollment action may be necessary (refer to [§60.5](#) for more information on retroactive disenrollments). In addition, a reinstatement to the plan in which the individual was originally enrolled may be necessary if the invalid enrollment resulted in an individual's disenrollment from his/her original plan of choice.

An enrollment that is not complete, as defined in [§10](#), is not legally valid. In addition, an enrollment is not legally valid if it is later determined that the individual did not meet eligibility requirements at the time of enrollment. For example, an enrollment is not legally valid if an MA organization determines at a later date that the individual provided an incorrect permanent address at the time of enrollment and the actual address is outside the MA plan's service area. A second example could be an instance where an individual not authorized by State law to make an election on another's behalf attempts to complete an election.

There are also instances in which an enrollment that appears to be complete can turn out to be legally invalid. In particular, CMS does not regard an enrollment as actually complete if the member or his/her legal representative did not intend to enroll in the MA organization. If there is evidence that the individual did not intend to enroll in the MA organization, the MA organization should submit a retroactive disenrollment request to CMS. Evidence of lack of intent to enroll by the individual may include:

- An enrollment election signed by the individual when a legal representative should have signed for the individual;

- Request by the individual for cancellation of enrollment before the effective date (refer to §60.2 for procedures for processing cancellations);
- Enrolling in a supplemental insurance program immediately after enrolling in the MA organization; or
- Receiving non-emergency or non-urgent services out-of-plan immediately after the effective date of coverage under the plan.

Payment of the premium does not necessarily indicate an informed decision to enroll. For example, the member may believe that he/she was purchasing a supplemental health insurance policy, as opposed to enrolling in an MA organization. In addition, use of an MA plan doctor does not necessarily indicate an understanding of the lock-in requirement if the doctor also treats non-plan members.

40.7 - Enrollment Procedures for Medicare MSA Plans

MA organizations offering a Medicare MSA plan must follow the procedures outlined in §§40.2, 40.3, 40.4, 40.5.1, and 40.6. *MSA plans must have a paper enrollment form available for eligible individuals to request enrollment. Exhibit 1b is a model MSA plan enrollment form. Organizations may use this model form as it appears or may customize their enrollment forms based on this model, if they follow usual Medicare marketing material approval practices and ensure all the required MSA specific elements are included.* Applications for Medicare MSAs must include a question regarding election of the Medicare hospice benefit.

All information necessary to successfully enroll the individual in the MSA plan must be provided to consider the enrollment request complete, including the answers to questions 1 – 4 on the model MSA enrollment form. Additionally, the organization must obtain the necessary banking and account information before the enrollment can be considered complete. The MA organization must ensure its materials describing the MSA plan explain the details of having the MSA account and what options the individual will have regarding the account.

Establishing the MSA Banking Account during the Enrollment Process

Medicare beneficiaries interested in enrolling in a MSA plan will need to establish an MSA bank account to accept MSA deposits in accordance with the MSA plan's procedures. The MA Organization must have documentation that a beneficiary will open the MSA account before submitting an enrollment transaction to MARx for that beneficiary. CMS will make the annual deposit payment to the plan on the same schedule as the monthly capitation payment. Per Section 1853(e)(2) of the Act, payment of an MSA deposit cannot be made until the beneficiary account has been established.

Acceptable documentation that an MSA account has been established includes a written/electronic notice from the bank that the beneficiary has opened an MSA account, or a written/electronic communication from the beneficiary that the MSA account has been opened, with the bank routing number and account number reported on the

communication. The MSA organization must retain this documentation. Described below are several procedures that the MSA Organization could implement to facilitate the establishment of these MSA accounts:

- 1. The organization provides the beneficiary with specific banking enrollment materials to begin the process necessary for establishment of the MSA banking account. The specified bank supplies the beneficiary with the required signature card and items needed for establishing the account. The beneficiary completes and returns the required documents to the specified bank. The bank provides the information to the MSA plan to complete the enrollment transaction.*
- 2. For an employer/union sponsored MSA plan, the plan's designated bank deals directly with the employer or union allowing the employer or union to facilitate the establishment of an account on behalf of the Medicare beneficiaries enrolling in the MSA plan.*

Finally, these procedures must accommodate the following guidance:

- MSA organizations must educate beneficiaries that the enrollment is not complete until the MSA account is set up.*
- The organization must have documentation that the account has been established prior to submitting the enrollment transaction to CMS.*
- Once the enrollee's initial deposit has been received in the MSA account the enrollee may then transfer the funds to his or her own banking institution.*

MARx will reject an MSA enrollment transaction if CMS records show an open period of Medicaid or Hospice coverage. MSA plans should contact the beneficiary to confirm this information. If confirmed true, the MSA plan must send the appropriate rejection notice. If not confirmed to be the case, the MSA plan must develop the case and submit to CMS or its contractor to correct the record and process the enrollment.

50 - Disenrollment Procedures

Except as provided for in this section, an MA organization may not, either orally or in writing, or by any action or inaction, request or encourage any member to disenroll. While an MA organization may contact members to determine the reason for disenrollment, the MA organization must not discourage members from disenrolling after they indicate their desire to do so. The MA organization must apply disenrollment policies in a consistent manner for similar members in similar circumstances.

All notice requirements are summarized in [Appendix 1](#).

50.1 - Voluntary Disenrollment by Member

A member may disenroll from an MA plan *only* during one of the election periods outlined in §§30 and 30.7. *As described in §30.3, MA organizations must deny OEP requests for voluntary disenrollment from MA-PD plans.* The member may disenroll by:

- 1. Enrolling in another plan (during a valid enrollment period);*

2. Giving or faxing a signed written notice to the MA organization, or through his/her employer *or union*, where applicable;
3. Submitting a request via the Internet to the MA organization (if the MA organization offers such an option); or
4. Calling 1-800-MEDICARE.

If a member verbally requests disenrollment from the MA plan, the MA organization must instruct the member to make the request in one of the ways described above. The MA organization may send a disenrollment form to the member upon request (see Exhibits 9 and 10).

The disenrollment request must be dated when it is initially received at the MA organization's business offices.

50.1.1 - Requests Submitted via Internet

The MA organization has the option to allow members to submit disenrollment requests via the Internet; however, certain conditions must be met. The MA organization must, at a minimum, comply with the CMS security policies - found at <http://cms.hhs.gov/it/security/>. However, the MA organization may also include additional security provisions. The CMS policies indicate that with regard to receiving such disenrollments via the Internet, an acceptable method of encryption must be utilized to provide for confidentiality and integrity of this data, and that authentication or identification procedures are employed to assure that both the sender and recipient of the data are known to each other and are authorized to receive and decrypt such information.

In addition, CMS policies also require MA organizations to provide the CMS Office of Information Services with a pro forma notice of intent to use the Internet for these purposes. The notice is essentially an attestation that the MA organization is complying with the required encryption, authentication, and identification requirements. The CMS reserves the right to audit the MA organization to ascertain whether it is in compliance with the security policy. The effective date of the request is determined by the election period in which the valid request was made. The election period is determined by the date the request is received by the specified site designated by the MA organization.

50.1.2 - Request Signature and Date

When providing a written request, the individual must sign the disenrollment request. If the individual is unable to sign, a legal representative must sign the request (refer to §40.2.1 for more detail on who may sign election forms). If a legal representative signs the request for the individual, then he or she must attest to having the authority under State law to do so, and confirm that a copy of the proof of court-appointed legal guardian, durable power of attorney, or proof of other authorization required by State law that empowers the individual to effect an election on behalf of the applicant is available and can be presented upon request to the MA organization or CMS.

The individual and/or legal representative should write the date he/she signed the disenrollment request; however, if he/she inadvertently fails to include the date, then the date of receipt that the MA organization places on the request form will serve as the signature date.

If a written disenrollment request is received and the signature is not included, the MA organization may verify with the individual with a phone call and document the contact, rather than return the written request as incomplete.

50.1.3 - Effective Dates

The election period will determine the effective date of the disenrollment; refer to §§30.6 and 30.7 for information regarding disenrollment effective dates.

With the exception of some SEPs and when election periods overlap, beneficiaries may not choose their effective date. Instead, the MA organization is responsible for assigning the appropriate effective date based on the election period. During face-to-face disenrollments, or when a beneficiary calls about a disenrollment, the MA organization staff are responsible for ensuring that a beneficiary does not choose an effective date that is not allowed under the requirements outlined in §§30.6 and 30.7.

If a beneficiary mails in a disenrollment request with an unallowable effective date, or if the MA organization allowed the beneficiary to choose an unallowable effective date, the MA organization must call or write the beneficiary to explain that the disenrollment must be processed with a different effective date. The organization should resolve the issue with the beneficiary as to the correct effective date, and the call must be documented. If the beneficiary refuses to have the disenrollment processed with the correct effective date, the beneficiary can cancel the election according to the procedures outlined in §60.2.2.

50.1.4 - Notice Requirements

After the member submits a request, the MA organization must provide the member with a disenrollment notice within *ten calendar* days of receipt of the request to disenroll. The disenrollment notice must include an explanation of the lock-in restrictions for the period during which the member remains enrolled in the organization, and the effective date of the disenrollment (see Exhibit 11). The MA organization may also advise the disenrolling member to hold Original Medicare claims for up to one month so that Medicare computer records can be updated to show that the person is no longer enrolled in the plan. For these types of disenrollments, i.e., disenrollments in which the member has disenrolled directly through the MA organization, MA organizations are encouraged, but not required, to follow up with a confirmation of disenrollment notice after receiving CMS confirmation of the disenrollment from the transaction reply report.

Since Medicare beneficiaries have the option of disenrolling through sources other than the MA organization (such as 1-800-MEDICARE or by enrolling in another Medicare managed care plan or PDP), the MA organization will not always receive a request for disenrollment directly from the member and will instead learn of the disenrollment through the CMS transaction reply report. If the MA organization learns of the voluntary

disenrollment from the CMS transaction reply report (as opposed to through written request from the member), the MA organization must send a written confirmation notice of the disenrollment to the member within *ten calendar* days of the availability of the transaction reply report (see Exhibit 12).

For denials of voluntary disenrollment requests, the denial notice must be sent within *10 calendar* days of the denial determination and must include the reason for denial (see Exhibit 12a).

50.1.5 - Optional Employer/*Union* MA Disenrollment Election Mechanism

As described in §20.4.1 of this chapter, beginning April 1, 2003, MA organizations that offer MA plans to *an employer or union* may choose to accept voluntary disenrollment elections directly from *the employer or union* (or its TPA) without obtaining an MA disenrollment form from each individual. This disenrollment election mechanism is optional for MA organizations and may not be required. Therefore, MA organizations may specify the employers *or unions*, if any, from which they will accept this election format.

- The MA organization must inform its Regional Office Plan Manager of its intent to use this mechanism and identify the employer(s) *or union(s)* for which it will be accepting disenrollments made in this manner.
- The disenrollment information (i.e., the electronic file) submitted to the MA organization by *the employer or union* (or TPA) must accurately reflect the employer's *or union's* record of the disenrollment made by each individual according to the processes the employer *or union* has in place, and may be accepted without a *paper* MA election form.
- This alternate election mechanism is used in place of paper MA election forms and does not require a signature. For purposes of compatibility with existing instructions in this chapter, the MA organization receipt date will be the date the employer's *or union's* record of an individual's disenrollment choice is received by the MA organization. MA organizations must record these dates.
- Effective date calculation of voluntary disenrollments and the collection and submission of disenrollments to CMS will follow existing procedures.
- To accept electronic records of employer *or union* elections, the MA organization must, at minimum, comply with the CMS security policies regarding the acceptable method of encryption utilized to provide for data security, confidentiality and integrity, and authentication and identification procedures to ensure both the sender and recipient of the data are known to each other and are authorized to receive and decrypt the information. (See the CMS Web site at: <http://www.cms.hhs.gov/it/security> for additional information.)
- The employer's *or union's* record of the election must exist in a format that can be easily, accurately and quickly reproduced for later reference by each individual

member, the MA organization and/or CMS as necessary, and be maintained (by the employer/*union* or the MA organization, as they agree) for at least 6 years following the effective date of the individual's disenrollment from an MA plan. The MA organization must maintain its record of information received from the employer *or union* following the guidelines for MA election forms (see [§60.9](#)).

50.1.6 - Group Disenrollment for Employer/Union Sponsored Plans

CMS is providing a process for group disenrollment from an employer or union sponsored MA plan. CMS will allow an employer or union to disenroll its retirees from an employer or union sponsored MA plan using a group disenrollment process.

The group disenrollment process must include notification to each beneficiary as follows:

- All beneficiaries must be notified that the group intends to disenroll them from the MA plan that the *employer or union* is offering; and
- This notice must be provided *by either the MA organization, employer or union* not less than *21* calendar days prior to the effective date of the beneficiary's disenrollment from the *employer/union* sponsored MA plan.

Additionally, the information provided must include an explanation on how to contact Medicare for information about other MA plan options that might be available to the beneficiaries.

The employer/*union* must have and provide all the information required for the MA organization to submit a complete disenrollment request transaction to CMS, as described in this and other CMS MA systems guidance. Records must be maintained as outlined in [§60.9](#) of this chapter.

50.1.7 - Medigap Guaranteed Issue Notification Requirements for Disenrollments to Original Medicare during a SEP

MA organizations are required to notify members of their Medigap guaranteed issue rights when members disenroll to Original Medicare during a SEP. Model language discussing these Medigap rights has been provided in [Exhibit 11](#) and [Exhibit 12](#).

There may be cases when a Medigap issuer requires the beneficiary to provide additional documentation that they disenrolled as a result of an SEP and are eligible for such guaranteed issue rights. A beneficiary may contact you for assistance in providing such documentation. The MA organization may provide such a notice to the beneficiary upon request (see [Exhibit 24](#)).

50.2 - Required Involuntary Disenrollment

The MA organization **must** disenroll a member from an MA plan in the following cases. Refer to [§50.6](#) for some exceptions to required disenrollment for grandfathered members.

1. A change in residence (for MA-PD plans, includes incarceration) makes the individual ineligible to remain enrolled in the plan ([§50.2.1](#))

2. The member loses entitlement to either Medicare Part A or Part B (§50.2.2.);
3. The member of a SNP that exclusively serves special needs individuals loses special needs status (§20.11) [NOTE: MA plans which were redesignated as SNPs that exclusively enroll special needs individuals may not involuntarily disenroll members who, at the time of redesignation, were already enrolled in the plan.]
4. The member dies (§50.2.3.); or
5. The MA organization contract is terminated, or the MA organization discontinues offering the plan in any portion of the area where the plan had previously been available. There is an exception to this rule, which is described in §50.2.4.

Notice Requirements - In situations where the MA organization disenrolls the member involuntarily on any basis except death or loss of entitlement, notices of the upcoming disenrollment meeting the following requirements must be sent. All disenrollment notices must:

1. Advise the member that the MA organization is planning to disenroll the member and why such action is occurring;
2. Be mailed to the member before submission of the disenrollment transaction to CMS; and
3. Include an explanation of the member's right to a hearing under the MA organization's grievance procedures. (This explanation is not required if the disenrollment is a result of the MA plan termination or service area or continuation area reduction, since a hearing would not be appropriate for that type of disenrollment. There are different notice requirements for terminations and area reductions, which are provided in separate instructions to MA organizations.)

Medigap Guaranteed Issue Notification Requirements for Disenrollments to Original Medicare during a SEP

MA organizations are required to notify members of their Medigap guaranteed issue rights when members disenroll to Original Medicare during a SEP. Model language discussing these Medigap rights has been provided in Exhibit 11 and Exhibit 12.

There may be cases when a Medigap issuer requires the beneficiary to provide additional documentation that they disenrolled as a result of an SEP and are eligible for such guaranteed issue rights. A beneficiary may contact you for assistance in providing such documentation. The MA organization may provide such a notice to the beneficiary upon request (see Exhibit 24).

50.2.1 - Members Who Change Residence

MA organizations may offer (or continue to offer) extended "visitor" or "traveler" programs to members *of coordinated care plans* who have been out of the service area for up to 12 months. The MA organizations that offer such programs do not have to

disenroll members in these extended programs who remain out of the service area for more than 6 months but less than 12 months. As mentioned at 42 CFR 422.74(d)(4)(iii), MA organizations *offering a plan with a visitor/traveler program* must make this option available to all enrollees who are absent for an extended period from the MA plan's service area. However, MA organizations may limit this option to enrollees who travel to certain areas, as defined by the MA organization, and who receive services from qualified providers. *Organizations offering MA-PFFS plans may allow continued enrollment of individuals absent from the plan service area for up to 12 months, given that PFFS plans provide access to plan benefits and services from providers located outside the plan service area.*

The MA organizations without these programs must disenroll members who have been out of the area for more than 6 months.

50.2.1.1 - General Rule

The MA organization must disenroll a member if:

1. He/she permanently moves out of the service area and his/her new residence is not in a continuation area;
2. The member's temporary absence from the service area (or continuation area, for continuation of enrollment members) exceeds 6 consecutive months;
3. The member is enrolled in an MA plan that offers a visitor/traveler program and his/her temporary absence exceeds 12 consecutive months (or the length of the visitor/traveler program if less than 12 months);
4. The member is an out-of-area member (as defined in §10), and permanently moves to an area that is not in the service area or continuation area;
5. He/she permanently moves out of the continuation area of an MA local plan and his/her new residence is not in the service area or another continuation area of the MA local plan;
6. The member permanently moves out of the service area (or continuation area, for continuation of enrollment members in MA local plans) and into a continuation area, but chooses not to continue enrollment in the MA local plan (refer to §60.7 for procedures for choosing the continuation of enrollment option);
7. The member is an out-of-area member (as defined in §10), who leaves his/her residence for more than 6 months;
8. The member is incarcerated (MA-PD plans only) *and, therefore, out of area.*

50.2.1.2 - Effective Date

Generally disenrollments for **reasons 1, 4, 5, 6 and 8** above are effective the first day of the calendar month after the date the member begins residing outside of the MA plan's

service area (or continuation area, as appropriate) AND after the MA organization has been notified by the member or his/her legal representative. *In the case of incarcerated individuals, MA organizations may receive notification of the individual's out-of-area status via a transaction reply report.* However, if the member establishes that a permanent move occurred retroactively and requests retroactive disenrollment (not earlier than the 1st of the month after the move), the MA organization can submit this request to CMS for consideration of retroactive action.

Disenrollment for **reasons 2 and 7** above is effective the first day of the calendar month after 6 months have passed. Disenrollment for **reason 3** is effective the 1st day of the 13th month (or the length of the visitor/traveler program if less than 12 months) after the individual left the service area.

Unless the member elects another Medicare managed care plan during an applicable election period, any disenrollment processed under these provisions will result in a change of election to Original Medicare.

A SEP, as defined in §30.4.1, applies to members who are disenrolled due to a change in residence. A member may choose another MA plan, or Original Medicare, during this SEP. The rules for this SEP will determine the effective date in the new MA plan or Original Medicare.

50.2.1.3 - Researching and Acting on a Change of Address

MA organizations may receive a notice of a change of address from the member, the member's legal representative, a CMS transaction reply report, or another source. The MA organization must make an attempt to contact the member to confirm whether the move is permanent and document its efforts. *In the case of incarcerated individuals, the MA organization is not required to contact the individual but must confirm the individual's out-of-area (e.g. incarcerated) status.* MA organizations may obtain either written or verbal verification of changes in address, as long as the MA organization applies the policy consistently among all members.

The MA organization must retain documentation from the member or member's legal representative of the notice of the change in address, including the determination of whether the move out of the service area is temporary or permanent.

1. If the MA organization receives notice of a **permanent change** in address **from the member or the member's legal representative**, and that address is outside the MA plan's service area (or continuation area, for continuation of enrollment members), then the MA organization must disenroll the member and provide proper notification. The only exception is if the member has permanently moved into the continuation area and chosen the continuation of enrollment option (procedures for electing a continuation of enrollment option are outlined in §60.8).
2. If the MA organization receives notice of a new address **from a source other than the member or the member's legal representative**, and that address is outside the MA plan's service area (or continuation area, for continuation of enrollment members), then the MA organization may not assume the move is

permanent until it has received confirmation from the member, *the* member's legal representative *or, for incarcerated individuals, public sources (such as a state/federal government entity or other public records).*

MA organizations may consider the six months to have begun on the date given by the beneficiary as the date that he/she will be leaving the service area. If the beneficiary did not inform the MA organization of when he/she left the service area, then the MA organization can consider the six months to have begun on the date the change in address is identified (e.g. through the transaction reply report).

If the member does not respond to the request for verification within the time frame given by the MA organization, the MA organization cannot assume the move is permanent and may not disenroll the member until six months have passed. The MA organization may continue its attempts to verify address information with the member.

The MA organization must initiate disenrollment when it verifies a move is permanent or when the member has been out of the service area (or continuation area, for continuation of enrollment members) for six months from the date the MA organization learned of the change in address.

3. **Temporary moves** - If the MA organization determines the change in address is temporary, then the MA organization may not initiate disenrollment until six months have passed from the date the MA organization learned of the change in address (or from the date the member states that his address changed, if that date is earlier).

If the MA organization offers a visitor/traveler program, the MA organization must initiate disenrollment if it learns that the individual continues to remain out of the area during the 12 months (or the length of its visitor/traveler program if less than 12 months).

4. Procedures for Developing Addresses for Members Whose Mail is Returned as Undeliverable

If an address is not current, the USPS will return any materials mailed first-class by the organization as undeliverable.

*Note: For auto and facilitated enrollees, CMS provides organizations with mailing addresses as maintained in **CMS systems**. These addresses are not always current, and in cases where the beneficiary has a representative payee, the address of the payee will be the address of record in **CMS systems**.*

In the event that any member materials are returned as undeliverable, the organization must take the following steps:

1. If the USPS returns mail with a new forwarding address, forward plan materials to the beneficiary and advise the plan member to change his or her address with the Social Security Administration.

2. If the organization receives documented proof of a beneficiary change that is outside of the plan service area or mail is returned without a forwarding address, follow the procedures outlined above.
3. If the organization receives claims for services from providers located outside the plan service area, the organization may choose to follow up with the provider to obtain the member's address.
4. If the organization is successful in locating the beneficiary, advise the beneficiary to update records with the Social Security Administration by:
 - a. Calling their toll-free number, 1-800-772-1213. TTY users should call 1-800-325-0778 weekdays from 7:00 a.m. to 7:00 p.m. EST;
 - b. Going to <http://www.ssa.gov/changeaddress.html> on the SSA website; or
 - c. Notifying the local SSA field office. A beneficiary can get addresses and directions to SSA field offices from the Social Security Office Locator which is available on the Internet at: <http://www.socialsecurity.gov/locator/>.

An organization is expected to continue to mail beneficiary materials to the undeliverable address, as a forwarding address may become available at a later date, and is encouraged to continue its efforts, as discussed above, to attempt to locate the beneficiary using any available resources, including *CMS systems*, to identify new address information for the beneficiary.

50.2.1.4 - Notice Requirements

1. **MA organization notified of out-of-area permanent move** - When the organization receives notice of a permanent change in address from the member or the member's legal representative, it must provide notification of disenrollment to the member. This notice must be provided within *10 calendar* days of the MA organization's learning of the permanent move before the disenrollment transaction is submitted to CMS.

In the notice, the MA organization is encouraged to inform the member who moves out of the service area that he/she may have certain Medigap enrollment opportunities available to them. These opportunities end 63 days after coverage with the MA organization ends. The MA organization can direct the beneficiary to contact the State Health Insurance Assistance Program (SHIP) for additional information on Medigap insurance.

2. **Out of area for 6 months** - When the member has been out of the service area for 6 months after the date the MA organization learned of the change in address from a source other than the member or the member's legal representative (or the date the member stated that his address changed, if that date is earlier), the MA organization must provide notification of the upcoming disenrollment to the member.

The notice of disenrollment must be provided some time during the sixth month, or no later than *ten calendar* days after the sixth month as long as the notice is provided before the transaction is submitted to CMS. The notice should advise the

member to notify the MA organization as soon as possible if the information is incorrect.

This notice must also be provided to out-of-area members (as defined in §10) who leave their residence for a location outside the service area, and that absence exceeds six months.

The CMS strongly encourages that MA organizations send a final confirmation of disenrollment notice to the member to ensure the individual does not continue to use MA organization services.

EXAMPLE

MA organization receives a transaction reply report on January 20 that indicates that the member is “out of area.” The 6-month period ends on July 20. The MA organization sends a notice to the member in February and does not receive any response from the member indicating this information is incorrect. Therefore, the MA organization will proceed with the disenrollment, effective August 1. The MA organization sends a notice to the member July 21 notifying him that he will be disenrolled.

- 3. Visitor/Traveler Program Option** - When the member has been out of the service area for 12 months (or the length of its visitor/traveler program if less than 12 months), the MA organization must provide notification of the upcoming disenrollment to the member.

The notice of disenrollment must be provided some time during the 12th month (or the length of its visitor/traveler), or no later than *10 calendar* days after the 12th month (or the length of its visitor/traveler program) as long as the notice is provided before the disenrollment transaction is submitted to CMS. The notice should advise the member to notify the MA organization as soon as possible if the information is incorrect.

The CMS strongly encourages that MA organizations send a final confirmation of disenrollment notice to the member to ensure the individual does not continue to use MA organization services.

50.2.2 - Loss of Medicare Part A or Part B

With the exception of Medicare Part B-only grandfathered members (as described in §§20.6 and 50.6), the MA organization cannot retain a member in an MA plan if the member is no longer entitled to both Medicare Part A and Part B benefits. The organization will be notified by CMS that entitlement to either Medicare Part A or Part B has ended, and CMS will make the disenrollment effective the first day of the month following the last month of entitlement to either Medicare Part A or Part B benefits (whichever occurred first).

If a member loses entitlement to Medicare Part A, the MA organization may not allow the member to remain a member of the plan and receive Medicare Part B-only services. In addition, the MA organization may not offer Part A-equivalent benefits and charge a

premium for such coverage to members who lose entitlement to Medicare Part A. Likewise, if a member loses entitlement to Medicare Part B at any time, the MA organization may not allow the member to remain in the MA plan.

Notice Requirements - CMS strongly suggests that notices be provided when the disenrollment is due to the loss of entitlement to either Medicare Part A or Part B (see [Exhibit 14](#)) so that any erroneous disenrollments can be corrected as soon as possible. In cases of erroneous disenrollment and notification, see [§60.3.1](#).

50.2.3 - Death

The CMS will disenroll a member from an MA organization upon his/her death and CMS will notify the MA organization that the member has died. This disenrollment is effective the first day of the calendar month following the month of death. *Organizations may not submit disenrollment transactions to CMS in response to the apparent death of a member. In anticipation of official notification from CMS via the TRR, organizations may, at their discretion, make note of the reported death in internal plan systems in order to suppress premium bills and member notices.*

Notice Requirements – *Following receipt of a CMS notification (via TRR) of disenrollment due to death*, CMS strongly suggests that a notice be sent to the member or the estate of the member (see [Exhibit 13](#)) so that any erroneous disenrollments can be corrected as soon as possible. In cases of erroneous disenrollment and notification, see [§60.3.1](#).

50.2.4 - Terminations/Nonrenewals

The MA organization must disenroll a member from an MA plan if the MA organization contract is terminated, or if the MA organization discontinues offering the plan or non-renews the MA plan in any portion of the area where the plan had previously been available.

A member who is disenrolled under these provisions has an SEP, as described in [§30.4.3](#), to elect a different MA plan or Original Medicare. A member who fails to make an election during this SEP is deemed to have elected Original Medicare.

EXCEPTION

MA organizations can offer an option to continue enrollment in an MA local plan in the organization to members affected by MA plan service area reductions in areas where no other MA plans are available at that time. If the organization chooses to offer this option, it must notify CMS, and must notify members in the beneficiary non-renewal notification letter.

Members must indicate their desire to take advantage of this option. Members who take this option to continue enrollment become known as “out-of-area members,” as defined in [§10](#). The organization may require individuals who choose to continue enrollment in an MA local plan in the organization to agree to receive the full range of basic benefits (excluding emergency and urgently needed care, renal dialysis, and post stabilization)

exclusively at facilities designated by the MA organization within the MA local plan service area.

Notice Requirements - The MA organization must give each Medicare member a written notice of the effective date of the termination or service area or continuation area reduction, and include a description of alternatives for obtaining benefits under the Medicare program. Required time frames for these notices are outlined in 42 CFR 422.506 - 422.512.

50.2.5 – Loss of Special Needs Status

A SNP *must* continue to provide care for *at least 30 days* for a member who no longer has special needs status as long as the plan can provide appropriate care *and the individual can reasonably be expected to again meet that criteria within a 6-month period*. For example, a dual eligible individual who loses Medicaid eligibility can be deemed to continue to be eligible for the plan if that individual would likely regain eligibility within six months. *The SNP may choose any length of time from 30 days through 6 months for deeming continued eligibility as long as it applies the criteria consistently among all members of the plan and fully informs members of its policy*. If the member *of a SNP that exclusively enrolls special needs individuals* does not re-qualify within this time period, s/he must be involuntarily disenrolled *from the plan*, with proper notice, at the end of this period. *SNPs designated as “disproportionate share SNPs” must establish a similar period of deemed continued eligibility, as described above; however, individuals who do not re-qualify within this period are not involuntarily disenrolled. During the deemed eligibility period the organization must continue to provide all plan benefits, must charge the deemed-eligible member the same premium and cost sharing as any other eligible enrollee of the plan and must continue coverage of any supplemental benefits (e.g., vision, dental, etc.) during the projected temporary loss of eligibility for the SNP.*

If the SNP cannot provide continuity of care to a member who loses eligibility, the *organization* must involuntarily disenroll the member. For example, when a member of an institutional SNP leaves the long-term care facility, s/he must be disenrolled from that SNP if the SNP providers *are* limited to those within the facility. The *organization* must provide the beneficiary with a minimum of 30 days notice after the *organization* determines the member is no longer eligible. This notice must provide the member an opportunity to prove that s/he is still eligible to be in the plan. Upon *determination by the organization that the individual is no longer eligible for the SNP*, the beneficiary *will be eligible for* a Special Election Period (SEP) in order that s/he may enroll in another MA plan or obtain coverage to supplement Original Medicare (*refer to §30.4.4, item #10, for information on this SEP*).

In the case of a retroactive Medicaid termination, an MA SNP may not retroactively disenroll the beneficiary. The *organization* may disenroll the member only after providing a minimum of 30 days’ notice.

Refer to Chapter 1 of the Medicare Managed Care Manual for additional information on Special Needs Plans.

50.3 - Optional Involuntary Disenrollments

An MA organization may disenroll a member from an MA plan it offers if:

- Premiums are not paid on a timely basis (§50.3.1);
- The member engages in disruptive behavior (§50.3.2); or
- The member provides fraudulent information on an election form, or if the member permits abuse of an enrollment card in the MA plan (§50.3.3).

Notice Requirements - In situations where the MA organization disenrolls the member involuntarily for any of the reasons addressed above, the MA organization must send notice of the upcoming disenrollment that meets the following requirements:

- Advises the member that the MA organization is planning to disenroll the member and why such action is occurring;
- Provides the effective date of termination; and
- Includes an explanation of the member's right to a hearing under the MA organization's grievance procedures.

Unless otherwise indicated, all notices must be mailed to the member before submission of the disenrollment transaction to CMS.

50.3.1 - Failure to Pay Premiums

MA organizations may not disenroll a member who fails to pay MA plan cost sharing under this provision. However, an MA organization has three options when a member fails to pay the MA plan's basic and supplementary premiums.

For each of its MA plans (*i.e. each PBP*), the MA organization must take action consistently among all members *of the discrete plan*. *For example*, an MA organization may have different policies among *each of* its plans, but it may not have different policies within a plan (*other than the optional exception for dual-eligible individuals and individuals who qualify for the low income subsidy, as described below*).

The MA organization **may**:

1. Do nothing, i.e., allow the member to remain enrolled in the same premium plan;
2. Disenroll the member after a grace period and proper notice; or
3. If the member fails to pay the premium for optional supplemental benefits (that is, a package of benefits that the member is not required to accept), but pays the premium for basic and mandatory supplemental benefits, reduce the member's coverage (also known as "downgrade") by discontinuing the optional supplemental benefits and retaining the member in the **same** plan after proper

notice. Given these requirements for a downgrade, this option clearly is only available for MA plans that have optional supplemental benefits offered at a higher premium than the basic benefit package. Such an action would be considered an addendum to the member's original election in the MA plan, and would not be considered a new election. Refer to Chapter 4 (Benefits and Beneficiary Protections) for a definition of "basic benefit," "mandatory supplement," and "optional supplemental benefits."

If the MA organization chooses to disenroll the member or reduce coverage, the action may only be accomplished *after the MA organization has made a reasonable effort to collect the premium and notice has been provided (as described below)*. If payment has not been received within *the grace period, the individual will be disenrolled (or coverage reduced, as applicable)*.

*Organizations **may not** disenroll members for failure to pay premiums (or notify them of impending disenrollment) in cases where the member has requested that premiums be withheld from his/her Social Security benefit check until the organization receives a reply from CMS indicating that the member's request has been rejected. The organization must then notify the member of the premium owed, provide the appropriate grace period, and comply with other applicable requirements prior to disenrolling the member.*

***Organizations may not involuntarily disenroll any individuals who are considered to be in premium withhold status by CMS.** Individuals who have requested premium withhold are considered to remain in premium withhold status until either (1) CMS notifies the organization that the premium-withhold request has rejected, failed, or been unsuccessful; or (2) the member requests that he/she be billed directly. Only after one of these actions occurs may a member's status be changed to "direct bill." Once the member is considered to be in "direct bill" status, the organization must notify the member of the premium owed and provide the appropriate grace period, as described below. Organizations must always provide members the opportunity to pay premiums owed before initiating any disenrollment action.*

*However, even if a member's premium payment status has been changed to "direct bill," if the member can demonstrate that Social Security Administration (SSA) has withheld Part C and/or Part D premiums during the coverage month(s) in question, the member will be considered to remain in premium withhold status. Such a member **cannot** be disenrolled for failure to pay his/her premium(s), whether or not the organization actually receives these premiums on a timely basis.*

***Example 1 – Incorrect Continuation of Premium Withhold:** Individual was enrolled in Plan A and selected premium withhold. Individual subsequently enrolls in Plan B and does not select premium withhold. Upon receiving a direct bill from Plan B, the individual provides Plan B with proof that a premium deduction continues from his SSA benefit check. Since the member provided Plan B with evidence that a premium amount is currently being deducted from his check, Plan B cannot initiate the process to disenroll the individual for failure to pay premiums. Plan B must work with CMS to obtain appropriate premium reimbursement.*

*Further, an individual will continue to be considered in premium withhold status if an organization is notified by CMS that the member's request for premium withholding is not successful as a result of systems/fund transfer issues between CMS and SSA, or between CMS and the organization. CMS recognizes that in some instances organizations have not received premium amounts in their monthly CMS plan payment for members who have elected SSA withholding; however, organizations cannot hold their members responsible for such issues, nor penalize them by attempting to disenroll them from their plan. Therefore, the organization **may not** initiate the billing (and subsequent disenrollment process, if necessary) until a member is in "direct bill" status.*

***Example 2:** An individual requests premium withhold and Plan A correctly submits the request to CMS. The transaction request is submitted successfully by CMS to SSA and the appropriate premium amount is deducted from the individual's SSA benefit check. However, due to a systems issue between CMS and SSA, the premium withhold data is not correctly reflected in CMS systems. Thus, CMS does not pay the correct premium amount to Plan A. Plan A must work with CMS to obtain appropriate premium reimbursement and may **not** initiate the disenrollment process for the individual for failure to pay premiums while the deduction continues to be withheld.*

*In addition, organizations **may not** disenroll a member or initiate the disenrollment process if the organization has been notified that the Part D portion of the premiums are being paid by a SPAP, or other payer, and the organization has not yet coordinated receipt of the premium payments with the SPAP or other payer (refer to §50.6 of Chapter 14 of the Medicare Prescription Drug Benefit Manual for additional information regarding coordination of premium payments).*

While the MA organization may accept partial payments, it has the right to ask for full payment within the grace period. If the member does not pay the required amount within the grace period, the effective date of disenrollment or reduction in coverage is the first day of the month after the period ends. Unless the member elects another MA plan during an applicable election period, any disenrollment processed under these provisions will always result in a change of election to Original Medicare. **The MA organization has the right to take action to collect the unpaid premiums from the beneficiary at any point during or after this process.**

If a member is disenrolled for failure to pay premiums and attempts to re-enroll in the organization, the MA organization may require the individual to pay any outstanding premiums owed to the MA organization before considering the enrollment to be "complete."

Calculating the Grace Period

An MA organization must provide plan enrollees with a grace period of not less than 1 calendar month; however, it may provide a grace period that is longer than 1 month, at its discretion. *The grace period cannot begin until the individual has been notified of (billed for) the actual premium amount due, with such notice/bill specifying the due date for that amount and providing an opportunity to pay.* MA organizations have the following options in calculating and applying the grace period. The organization must apply the same option for all members of a plan.

A - MA organizations may consider the grace period to end not less than 1 calendar month after the first day of the month for which premium is unpaid.

If the overdue premium and all other premiums that become due during the grace period (in accordance with the terms of the member's agreement with the MA organization) are not paid in full by the end of the grace period, the MA organization may terminate or reduce the member's coverage. Under this scenario, MA organizations are encouraged to send subsequent notices as reminders or to show that additional premiums are due. Subsequent notices, therefore, should determine the expiration date of the grace period by reference to this date. Notice requirements are summarized in this section under the heading "notice requirements."

Example A: Plan XYZ has a 1-month grace period for premium payment. Plan member Mr. Stone's premium was due on February 1, 2005. He did not pay this premium and on February 7th, the MA organization sent an appropriate notice. Mr. Stone ignores this notice and any subsequent premium bills. The grace period is the month of February. If Mr. Stone does not pay his plan premium before the end of February, he will be disenrolled as of March 1, 2005.

Example B: Plan QRS has a 2-month grace period for premium payment. Plan member Mrs. Monsoon's premium was due on July 1, 2005. She did not pay this premium and on July 6th, the MA organization sent an appropriate notice. Mrs. Monsoon ignores this notice and subsequent premium bills. The grace period is the months of July and August. If Mrs. Monsoon does not pay her premiums in full by the end of this period (August 31st), she will be disenrolled effective September 1, 2005.

In short, the MA organization may require that the member pay the overdue premiums in full within the grace period, as well as all other payments becoming due within that period, in order to avoid disenrollment (or a reduction in coverage, where applicable). If the MA organization requires the member to make full payment within the grace period and pay all premiums falling due within that period; however, the MA organization must state so in its initial delinquency notice to the member.

B - MA organizations may use a "rollover" approach in applying the grace period.

Under this scenario, the grace period would begin on the first of the month for which the premium was is unpaid, but if the member makes a premium payment within the grace period, the grace period stops, and the MA organization would then send another notice informing the member of any overdue payments. The member would then have a new grace period beginning on the 1st day of the next month for which the premium is unpaid. (The subsequent notice also would have to be sent within *10 calendar days (or 15 calendar days, as described below)* of the date the subsequent premiums became delinquent and the notice otherwise would have to comply with the requirements for such notices, *as* discussed below.) This process would continue until the member's balance for overdue premiums was paid in full or until the grace period expired with no premium payments being made, at which time the MA organization could terminate (or reduce, if applicable) the member's coverage.

EXAMPLE

Plan WXY has decided to offer a 2 –month grace period for non-payment of plan premiums and has chosen the “rollover” approach to calculating the grace period. A member fails to pay his January premium due January 1. The MA organization sends a notice to the member on January 7th stating that his coverage will be terminated if the outstanding premium is not paid within the grace period. The notice advises him that his termination date would be March 1. The member fails to pay his February premium, and receives a second notice from the MA organization on February 9th. The member then pays the January premium, but does not pay the February premium. The grace period is recalculated to begin on the 1st of the next month for which the premium is unpaid (February 1). The MA organization sends a notice to the member reflecting the new grace period, and the new anticipated termination date of April 1st. The member pays off his balance in full before the grace period expires; therefore, the member’s coverage in the MA plan remains intact.

Notice Requirements - If the MA organization chooses to disenroll the member or to reduce coverage when a member has not paid premiums, the MA organization must send an appropriate written notice (*see Exhibit 19*) to the member *as follows*:

- *If the MA organization has a grace period of one calendar month, the organization must send a notice of non-payment of premium **within 10 calendar days** of the premium due date.*
- *If the MA organization has a grace period of two or more calendar months, the organization must send a notice of non-payment of premium **within 15 calendar days** of the premium due date.*

The MA organization may send interim notices after the initial notice.

In addition to the notice requirements outlined in §50.3, this notice must:

- Alert the member that the premiums are delinquent;
- Provide the member with an explanation of disenrollment procedures advising the member that failure to pay the premiums within the grace period that began on the 1st of the month for which premium was unpaid will result in termination or reduction of MA coverage, whichever is appropriate according to the MA organization policy, and the proposed effective date of this action;
- Explain whether the MA organization requires full payment within the grace period (including the payment of all premiums falling due during the intervening days, when and as they become due, according to the terms of the membership agreement) in order to avoid termination of membership or reduction in benefits; and,
- Explain the implications of a reduction in coverage (e.g., description of lower level of benefits), if the MA organization policy is to reduce coverage for the nonpayment of optional supplemental benefit premiums.

If a member does not pay within the grace period, and the MA organization's policy is to disenroll the member, the MA organization must notify the member in writing after the expiration of the grace period and prior to submission of the transaction to CMS that the MA organization is planning on disenrolling him/her and provide the effective date of the member's disenrollment (refer to [Exhibit 20](#) for a model letter). In addition, CMS strongly encourages that MA organizations send final confirmation of disenrollment to the member after receiving the transaction reply report to ensure the individual does not continue to access MA organization services (refer to [Exhibit 21](#) for a model letter).

If a member does not pay within the grace period, and the MA organization policy is to reduce coverage for the nonpayment of optional supplemental benefit premiums, the MA organization must notify the member in writing after the expiration of the grace period and prior to submission of the transaction to CMS that the MA organization is reducing the coverage and provide the effective date of the change in benefits (refer to [Exhibit 22](#) for a model letter).

Optional Exception for Dual-Eligible Individuals *and Individuals who Qualify for the Low Income Subsidy*

MA organizations *offering MA-PD plans* have the **option** to retain dually eligible members *and individuals who qualify for the low income subsidy (LIS)* who fail to pay premiums even if the MA organization has a policy to disenroll members for non-payment of premiums. *For MA-only plans, organizations may retain individuals who are dually eligible for both Medicare and Medicaid (i.e. individuals who are entitled to Medicare Part A and Part B and receive any type of assistance from the Title XIX (Medicaid) program).*

The MA organization has the discretion to offer this option to dually eligible individuals *and individuals who qualify for LIS* within each of its MA plans. If the MA organization offers this option in one of its plans, it must apply the policy to all *such* individuals in that MA plan.

The policy to retain individuals is based upon non-payment of premium for the standard benefit package of the MA plan. If the MA organization chooses this option, any dually eligible individual *or individual who qualifies for LIS* who fails to pay premiums for any optional supplemental benefit offered would be downgraded to the standard benefit package within that MA plan.

Members of an MA plan must be informed at least 30 days before a policy changes within the plan. MA organizations will have the discretion as to how it will notify its members of the change, e.g. in an upcoming newsletter or other member mailing, such as the Annual Notice of Change. The CMS recommends a general statement in such notifications to avoid confusing other members for whom the policy does not apply.

Example: "If you *have Medicaid or receive extra help in paying for your Medicare prescription drugs* and are having difficulty paying your plan premiums or cost sharing, please contact us."

The plan must document this policy internally and have it available for CMS review.

50.3.2 - Disruptive Behavior

The MA organization **may** disenroll a member if his/her behavior is disruptive to the extent that his/her continued enrollment in the MA plan substantially impairs the MA organization's ability to arrange for or provide services to either that particular member or other members of the plan. However, the MA organization may only disenroll a member for disruptive behavior after it has met the requirements of this section and with CMS' approval. The MA organization may not disenroll a member because he/she exercises the option to make treatment decisions with which the MA organization disagrees, including the option of no treatment and/or no diagnostic testing. The MA organization may not disenroll a member because he/she chooses not to comply with any treatment regimen developed by the MA organization or any health care professionals associated with the MA organization.

Before requesting CMS' approval of disenrollment for disruptive behavior, the MA organization must make a serious effort to resolve the problems presented by the member. Such efforts must include providing reasonable accommodations, as determined by CMS, for individuals with mental or cognitive conditions, including mental illness and developmental disabilities. The MA organization must also inform the individual of his or her right to use the organization's grievance procedures.

The MA organization must submit documentation of the specific case to CMS for review. This includes documentation:

- Of the disruptive behavior;
- Of the MA organization's serious efforts to resolve the problem with the individual;
- Of the MA organization's effort to provide reasonable accommodations for individuals with disabilities, if applicable, in accordance with the Americans with Disabilities Act;
- Establishing that the member's behavior is not related to the use, or lack of use, of medical services;
- Describing any extenuating circumstances cited under 42 CFR 422.74(d)(2)(iii) and (iv);
- That the MA organization provided the member with appropriate written notice of the consequences of continued disruptive behavior (see Notice Requirements); and
- That the MA organization then provided written notice of its intent to request involuntary disenrollment (see Notice Requirements).

The MA organization must submit to the CMS Regional Office:

- The above documentation;
- The thorough explanation of the reason for the request detailing how the individual's behavior has impacted the MA organization's ability to arrange for or provide services to the individual or other members of the MA plan;
- Member information, including age, diagnosis, mental status, functional status, a description of his or her social support systems and any other relevant information;
- Statements from providers describing their experiences with the member; and
- Any information provided by the member.
- The MA organization may request that CMS consider prohibiting re-enrollment in the MA plan (or plans) offered by the MA organization in the service area.

The MA organization's request for involuntary disenrollment for disruptive behavior must be complete, as described above. The CMS Regional Office will review this documentation and consult with CMS Central Office (CO), including staff with appropriate clinical or medical expertise, and decide whether the organization may involuntarily disenroll the member. Such review will include any documentation or information provided either by the organization and the member (information provided by the member must be forwarded by the organization to the CMS RO). CMS will make the decision within 20 business days after receipt of all the information required to complete its review. The CMS will notify the MA organization within 5 (five) business days after making its decision.

The Regional Office will obtain Central Office concurrence before approving an involuntary disenrollment. The disenrollment is effective the first day of the calendar month after the month in which the organization gives the member a written notice of the disenrollment, or as provided by CMS. Any disenrollment processed under these provisions will always result in a change of election to Original Medicare.

If the request for involuntary disenrollment for disruptive behavior is approved, CMS may require the MA organization to provide reasonable accommodations to the individual in such exceptional circumstances that CMS deems necessary. An example of a reasonable accommodation in this context is that CMS could require the MA organization to delay the effective date of involuntary disenrollment to coordinate with an MA election or Part D enrollment period that would permit the individual an opportunity to obtain other coverage. If necessary, CMS will establish an SEP on a case-by-case basis.

Notice Requirements

The disenrollment for disruptive behavior process requires 3 (three) written notices:

- Advance notice to inform the member that the consequences of continued disruptive behavior will be disenrollment;
- Notice of intent to request CMS' permission to disenroll the member; and
- A planned action notice advising that CMS has approved the MA organization's request.

Advance Notice

Prior to forwarding an involuntary disenrollment request to CMS, the MA organization must provide the member with written notice explaining that his/her continued behavior may result in involuntary disenrollment, and that cessation of the undesirable behavior may prevent this action. The MA organization must include a copy of this notice and the date it was provided to the member in any information forwarded to CMS. **NOTE:** If the disruptive behavior ceases after the member receives notice and then later resumes, the MA organization must begin the process again. This includes sending another advance notice.

Notice of Intent

If the member's disruptive behavior continues despite the MA organization's efforts, then the MA organization must notify him/her of its intent to request CMS' permission to disenroll him/her for disruptive behavior. This notice must also advise the member of his/her right to use the organization's grievance procedures and to submit any information or explanation. Refer to Chapter 13, "Grievances, Organizations Determinations, and Appeals," for the appropriate procedures for grievances. The MA organization must include a copy of this notice and the date it was provided to the member in any information forwarded to CMS.

Planned Action Notice

If CMS permits an MA organization to disenroll a member for disruptive behavior, the MA organization must provide the member with a written notice that contains, in addition to the notice requirements outlined in §50.3, a statement that this action was approved by CMS and meets the requirements for disenrollment due to disruptive behavior described above. The MA organization may only provide the member with this required notice after CMS notifies the MA organization of its approval of the request.

The MA organization can only submit the disenrollment transaction to CMS after providing the notice of disenrollment (Planned Action Notice) to the individual. The disenrollment is effective the first day of the calendar month after the month in which the MA organization gives the member a written notice of the disenrollment, or as provided by CMS.

50.3.3 - Fraud and Abuse

An MA organization **may** disenroll a member who knowingly provides, on the election form or by another election mechanism, fraudulent information that materially affects the *determination of an individual's* eligibility to enroll in the plan. The organization may also disenroll a member who intentionally permits others to use his/her enrollment card to obtain services or supplies from the plan or any authorized plan provider. Such a disenrollment is effective the first day of the calendar month after the month in which the organization gives the member the written notice.

When such a disenrollment occurs, the organization must immediately notify the CMS RO so the Office of the Inspector General may initiate an investigation of the alleged fraud and/or abuse. Any disenrollment processed under these provisions will always result in a change of election to Original Medicare.

Notice Requirements - The MA organization must give the member a written notice of the disenrollment that contains the information required at §50.3.

50.4 - Processing Disenrollments

50.4.1 - Voluntary Disenrollments

After receipt of a completed disenrollment request from a member, the MA organization is responsible for submitting disenrollment transactions to CMS in a timely, accurate fashion. *For disenrollments effective December 31, 2007, or later,* such transmissions must occur within **7** calendar days of receipt of the completed disenrollment request, in order to ensure the correct effective date.

The MA organization must maintain a system for receiving, controlling, and processing voluntary disenrollments from the MA organization. This system should include:

- Dating each disenrollment request as of the date it is received (regardless of whether the request is complete at the time it is received by the MA organization) to establish the date of receipt;
- Dating supporting documents for disenrollment requests as of the date they are received, with the last piece of information establishing the “date of receipt” of disenrollment forms that were incomplete when originally received;
- Processing disenrollment requests in chronological order by date of receipt of completed disenrollment requests;
- Transmitting disenrollment information to CMS within **7** calendar days of the receipt of the completed disenrollment request from the individual or the employer (whichever applies). If the disenrollment information is received through the employer, the MA organization must obtain the member’s written request *from* the *employer or union* to disenroll;

- For disenrollment requests received by the MA organization, notifying the member in writing within *ten calendar* days after receiving the member's written request, to acknowledge receipt of the completed disenrollment request, and to provide the effective date (see [Exhibit 11](#) for a model letter). MA organizations are encouraged, but not required, to follow up with a confirmation of disenrollment letter after receiving CMS confirmation of the disenrollment from the transaction reply report;
- For all other voluntary disenrollments (i.e., voluntary disenrollments made by the beneficiary through 1-800-MEDICARE, or by enrolling in another MA plan or PDP, which the MA organization would not learn of until receiving the transaction reply report), and notifying the member in writing to confirm the effective date of disenrollment within *ten calendar* days of the availability of the transaction reply report (see [Exhibit 12](#) for a model letter).

50.4.2 – When the Disenrollment Request is Incomplete

When the disenrollment request is incomplete, the MA organization must document all efforts to obtain additional documentation to complete the disenrollment request and have an audit trail to document why additional documentation was needed before the request could be considered complete.

If a written disenrollment request is submitted and the signature is not included, the MA organization may verify with the individual with a phone call and document the contact, rather than return the written request as incomplete.

Additional documentation to make the request complete must be received within 21 calendar days, or the end of the applicable election period (whichever is later). If all documentation is received within allowable time frames and the request is complete, the MA organization must transmit the disenrollment to CMS within the time frames prescribed in [§50.4.1](#). If additional documentation needed to make the disenrollment request complete is not received within 21 calendar days (or the end of the applicable election period, if later) of the MA organization's request, the organization must deny the disenrollment.

50.4.3 - Involuntary Disenrollments

The MA organization is responsible for submitting involuntary disenrollment transactions to CMS in a timely, accurate fashion.

The MA organization must maintain a system for controlling and processing involuntary disenrollments from the MA organization. This includes:

- Maintaining documentation leading to the decision to involuntarily disenroll the member; and
- For all involuntary disenrollments except disenrollments due to death and loss of Medicare Parts A and/or B, notifying the member in writing of the upcoming involuntary disenrollment, including providing information on grievance rights.

In addition, CMS strongly encourages MA organizations to send confirmation of involuntary disenrollment to ensure the member discontinues use of MA organization services after the disenrollment date.

50.5 - Disenrollments Not Legally Valid

When a disenrollment is not legally valid, a reinstatement action may be necessary (refer to [§60.3](#) for more information on reinstatements). In addition, the reinstatement may result in a retroactive disenrollment from another plan. Since optional involuntary disenrollments (as stated in [§50.3](#)) are considered legal and valid disenrollments, individuals would not qualify for reinstatements in these cases.

A voluntary disenrollment that is not complete, as defined in [§10](#), is not legally valid. In addition, there are instances in which a disenrollment that appears to be complete can turn out to be legally invalid. For example, automatic disenrollments due to an erroneous death indicator or an erroneous loss of Medicare Part A or Part B indicator are not legally valid.

The CMS also does not regard a voluntary disenrollment as actually complete if the member or his/her legal representative did not intend to disenroll from the MA organization. If there is evidence that the member did not intend to disenroll from the MA organization, the MA organization should submit a reinstatement request to CMS (or its designee). Evidence that a member did not intend to disenroll may include:

- A disenrollment request signed by the member when a legal representative should be signing for the member; or
- Request by the member for cancellation of disenrollment before the effective date (refer to [§60.2](#) for procedures for processing cancellations).

Discontinuation of payment of premiums does not necessarily indicate that the member has made an informed decision to disenroll.

In contrast, CMS believes that a member's deliberate attempt to disenroll from a plan (e.g. sending a written request for disenrollment to the MA organization, or calling 1-800-MEDICARE) implies intent to disenroll. Therefore, unless other factors indicate that this disenrollment is not valid, what appears to be a deliberate, member-initiated disenrollment should be considered valid.

50.6 - Disenrollment of Grandfathered Members

As discussed in [§20.6](#), any individual who was enrolled in a [§1876](#) risk plan effective December 1, 1998, or earlier, and remained enrolled with the risk plan on December 31, 1998, automatically continued to be enrolled in the MA organization on January 1, 1999, even if he/she was not entitled to Medicare Part A or did not live in an MA plan service area or MA organization continuation area.

Disenrollment procedures for grandfathered members are generally the same as those for other members. The MA organization must disenroll any grandfathered member if:

- The member dies;
- The member loses either Medicare Part A or Part B (or for Part B only members, enrollment in Medicare Part B ends for the member);
- The member permanently moves into the continuation area, but does not choose to continue enrollment or moves to an area that is out of the service or continuation area;
- The member permanently moves out of the vicinity making continued enrollment no longer reasonable. For example, a move of only a short distance may not affect the member's ability to continue to access the plan therefore continued enrollment would be reasonable.
- The MA organization contract is terminated, or if the service area or continuation area is reduced with respect to all MA individuals who live in the area where the individual resides;

NOTE: The member may be offered the option to continue enrollment, as described in [§50.2.4](#).

50.7 - Disenrollment Procedures for Employer/Union *Sponsored* Coverage Terminations

When an employer or union group terminates its contract with an MA organization, or determines that a beneficiary is no longer eligible to participate in the employer/union sponsored MA plan¹, the MA organization has the option to follow one of two procedures to disenroll beneficiaries from the current employer/union sponsored MA plan in which the individual is enrolled:

For both of the following options, the MA organization must ensure that the employer or union agrees to the following:

- *The employer or union will provide the MA organization with timely notice of contract termination or the ineligibility of an individual to participate in the employer or union group sponsored MA plan. Such notice must be prospective, not retroactive.*
- *The employer or union must provide a prospective notice to its members alerting them of the termination event and of other insurance options that may be available to them through their employer or union.*

¹ The employer/union establishes criteria for its retirees to participate in the employer/union sponsored MA plan. These criteria are exclusive of *and in addition to* the eligibility criteria for MA enrollment. Eligibility criteria to participate and receive employer/union sponsored benefits may include spouse/family status, payment to the employer/union of the individual's part of the premium, or other criteria determined by the employer/union.

Option 1: *Enroll the individual(s) in another MA plan (i.e. individual plan) offered by the same MA organization unless the beneficiary makes another choice. The individual must be eligible to enroll in this plan, including residing in the plan's service area. The individual plan selected for this option must be the same type of plan. For example, if the employer/union sponsored plan was an MA-PD coordinated care plan, the individual plan in this option must be an MA-PD coordinated care plan.*

- *Beneficiaries may elect another MA plan offered by the employer or union, join Original Medicare or join another MA plan as an individual member instead of electing the new MA plan offered by the employer or union.*
 - *If the beneficiary prefers not to be enrolled in the individual plan, s/he may contact the MA organization.*
 - *If the beneficiary would prefer enrolling in a different MA plan as an individual member, he/she must submit an enrollment request to his/her newly chosen MA organization.*
- *If the individual takes no other action, he/she will become a member of the individual plan offered by the same MA organization that offered the employer/union sponsored plan.*
- **MA Notice requirements** -- *The MA organization (or the employer or union, acting on its behalf) must provide prospective notice to the beneficiary that his/her plan is changing, including information about benefits, premiums, and/or copayments, at least 21 calendar days prior to the effective date of enrollment in the individual plan.*

Option 2: *Disenroll individual(s) from the employer/union sponsored MA plan to Original Medicare following prospective notice.*

- **MA Notice requirements** - *The MA organization (or the employer or union, acting on its behalf) must provide prospective notice to the beneficiary that his/her plan enrollment is ending at least 21 calendar days prior to the effective date of the disenrollment. The notice must include information about other individual plan options the beneficiary may choose and how to request enrollment.*
- *If the employer/union sponsored plan was an MA-PD plan, the individual must be advised that the disenrollment action means the individual will not have Medicare drug coverage. Notice must include information about the potential for late-enrollment penalties that may apply in the future.*

The MA organization must outline in its written policies and procedures which of the above options it follows. It is the MA organization's responsibility to ensure that the

process it has chosen is understood by the employer or union and is part of the agreement with each employer or union, including contract termination notification requirements.

50.8 - Disenrollment Procedures for Medicare MSA Plans

Members of Medicare MSA plans may only disenroll in writing through the MA organization offering the Medicare MSA plan; they may not disenroll through 1-800-MEDICARE. Election periods and effective dates for disenrollment from Medicare MSA plans are outlined in §30.7.

MA organizations offering Medicare MSA plans must otherwise follow the disenrollment policies and procedures outlined in §§50.2 through 50.5.

60 - Post-Election Activities

Post-election activities begin after the MA organization receives the election from the individual (e.g., cancellations), and last until a decision is made with respect to an individual's election (e.g., retroactive transactions).

60.1 - Multiple Transactions

Multiple transactions occur when *CMS receives* more than one election for the same individual with the same effective date in the same reporting period. An individual may generally not be enrolled in more than one MA, cost, HCPP or PDP plan at any given time (*however, an individual may be simultaneously enrolled in a cost plan and a separate PDP plan or in certain MA plan types and a separate PDP plan*).

Generally, the last election the beneficiary makes during *an enrollment period* will be *accepted as the plan into which* the individual intends to enroll. *If an individual elects more than one plan for the same effective date and with the same application date, the first transaction successfully processed by CMS will take effect. Because simultaneous enrollment in certain MA plan types and a separate PDP is permitted, CMS systems will accept both enrollments.*

Generally, given the use of the application date to determine the intended *enrollment choice*, retroactive enrollments will not be processed for multiple transactions that reject because the elections have the same application date.

EXAMPLES

- *Two MA organizations receive enrollment forms from one individual. MAO #1 receives a form on March 4th and MAO #2 receives a form on March 10. Both organizations submit enrollment transactions, including the applicable effective date and application date. The enrollment in MAO #2 will be the transaction that is accepted and will be effective on April 1 because the application date on the enrollment transaction is the later of the 2 submitted. Both plans receive the appropriate reply on the transaction reply report.*

- Two MA organizations (MAOs) receive enrollment requests from one individual for an April 1 effective date. MAO #1 receives a paper enrollment form with all required information on March 5th. The beneficiary completed an enrollment request for MAO #2 *by telephone on the same day, March 5th. Both enrollment requests have the same application date, since they were received by the MAO on the same date. Both enrollments were submitted to CMS prior to the April cut-off date. MAO #1 transmitted the enrollment to CMS on March 5th, the day it received the enrollment request; however, MAO #2 waited until March 8th to transmit the enrollment to CMS. The enrollment for MAO #1 will be the transaction that is effective on April 1, as it was the first transaction successfully processed by CMS.*

In the event a rejection for a multiple transaction is reported to the MA organization, the organization may contact the individual. If the individual wishes to enroll in a plan offered by the organization that received the multiple transaction reject, s/he must submit a new enrollment request during a valid enrollment period.

60.2 - Cancellations

Cancellations may be necessary in cases of mistaken enrollment made by an individual and/or mistaken disenrollment made by a member. *Unless otherwise directed by CMS, an individual may cancel his/her enrollment only by contacting the organization prior to the effective date of the enrollment.* For employer *or union* groups, cancellations properly made to the employer *or union* prior to the effective date of the election being canceled are also acceptable.

If a cancellation occurs after CMS records have changed, retroactive disenrollment and reinstatement actions may be necessary. Refer to §§60.3 and 60.5.

If a beneficiary verbally requests a cancellation, the MA organization should document the request. MA organizations have the right to request that a cancellation be in writing. However, they may not delay processing of a cancellation until the request is made in writing if they have already received verbal confirmation from the beneficiary of the desire to cancel the election.

For facilitated enrollment as described in §40.1.6 of this chapter, a beneficiary may cancel the enrollment and affirmatively decline Part D benefits by telephone. The MA organization may not require these cancellations in writing.

60.2.1 - Cancellation of Enrollment

An individual's enrollment can be cancelled *only* if the request is made prior to the effective date of the enrollment, *unless otherwise directed by CMS.*

To ensure the cancellation is honored, the MA organization should not transmit the enrollment to CMS. If, however, the organization had already transmitted the enrollment by the time it receives the request for cancellation, it may attempt to submit a corresponding disenrollment transaction to CMS to "cancel out" the now void enrollment

transaction. In the event the MA organization has submitted the enrollment and is unable to submit a corresponding disenrollment transaction, or has other difficulty, the MA organization should contact CMS (or its designee) in order to cancel the enrollment.

When canceling an enrollment the MA organization must send a letter to the individual that states that the cancellation is being processed (see [Exhibit 25](#)). This notice should be sent within *ten calendar* days of the request. The language in the notice will depend upon whether the organization has already sent the enrollment transaction to CMS.

- If the enrollment transaction was not sent to CMS, then the notice must inform the member that the cancellation will result in the individual remaining enrolled in the health plan he/she originally was enrolled in.
- If the enrollment transaction was sent to CMS (in which CMS or its designee has been contacted to cancel the enrollment), then the notice must inform the member that if he/she was already enrolled in another MA plan, then the current enrollment action will have caused him/her to be disenrolled from the health plan he/she originally was enrolled in. The notice must also instruct the individual to contact the original MA organization if he/she wishes to remain a member of the MA plan in that MA organization.

If the member's request for cancellation occurs after the effective date of the enrollment, then the cancellation *generally* cannot be processed. The MA organization must inform the member that he/she is a member of its MA plan. If he/she wants to get back into the other MA plan he/she will have to fill out an enrollment form to enroll in that MA plan during an election period, and with a current effective date.

If the member wants to return to Original Medicare, the member must be instructed to disenroll from the plan as described in §50.1 of this chapter. The member must be informed that the disenrollment must be made during an election period (described in [§30.5](#)) and will have a current effective date (as prescribed in [§30.5](#)), and must be instructed to continue to use plan services until the disenrollment goes into effect.

CANCELLATION OF MEDICARE MSA ELECTION:

An individual who elects a Medicare MSA plan during an AEP, and who has never before elected a Medicare MSA plan, may revoke (i.e., “cancel”) that election, but must do so by December 15 of the year in which they elected the Medicare MSA plan. This cancellation will ensure the election does not go into effect on January 1.

60.2.2 - Cancellation of Disenrollment

A member's disenrollment can only be canceled if the request is made prior to the effective date of the disenrollment, *unless otherwise directed by CMS*.

To ensure the cancellation is honored, the MA organization should not transmit the disenrollment to CMS. If, however, the organization had already transmitted the disenrollment by the time it receives the verbal request for cancellation, it may attempt to submit a corresponding enrollment transaction to CMS to “cancel out” the now void disenrollment transaction. In the event the MA organization has submitted the

disenrollment and is unable to submit the “canceling” enrollment transaction, or has other difficulty, the organization should contact CMS (or its designee) in order to cancel the disenrollment.

The MA organization must send a letter to the member that states that the cancellation is being processed and instructs the member to continue using MA plan services (see [Exhibit 26](#)). This notice should be sent within *ten calendar* days of the request.

If the member’s request for cancellation occurs after the effective date of the disenrollment, then the cancellation cannot be processed. In some cases, reinstatement due to a mistaken disenrollment will be allowed, as outlined in [§60.3.2](#). If a reinstatement will not be allowed, the MA organization should instruct the member to fill out and sign a new enrollment form to re-enroll with the MA organization during an election period (described in [§30](#)), and with a current effective date, using the appropriate effective date as prescribed in [§30.5](#).

60.3 - Reinstatements

Reinstatements may be necessary if a disenrollment is not legally valid (refer to [§50.5](#) to determine whether a disenrollment is not legally valid). The most common reasons warranting reinstatements are:

1. Disenrollment due to erroneous death indicator;
2. Disenrollment due to erroneous loss of Medicare Part A or Part B indicator; and
3. Mistaken disenrollment. In unique circumstances, an organization may consult with CMS (or its designee) to reinstate members.

CMS (or its designee) will approve such reinstatements on a case-by-case basis.

A reinstatement is viewed as a correction necessary to “erase” a disenrollment action and to ensure no gaps in coverage occur. Therefore, reinstatements may be made back to a date when an MA plan was closed for enrollment.

When a disenrolled member contacts the MA organization to state that he/she was disenrolled due to any of the reasons listed above, and states that he/she wants to remain a member of the MA plan, then the MA organization must instruct the member in writing as soon as possible to continue to use MA plan services (refer to [Exhibit 15](#), [Exhibit 16](#), and [Exhibit 17](#) for model letters). *As of the effective date of enrollment, plan systems should indicate active membership.*

60.3.1 - Reinstatements for Disenrollment Due to Erroneous Death Indicator or Due to Erroneous Loss of Medicare Part A or Part B Indicator

A member can be reinstated if he/she was disenrolled due to an erroneous death or loss of Part A or Part B indicator since he/she was always entitled to membership. As outlined in [42 CFR 422.74\(c\)](#), MA organizations have the option of sending notification of

disenrollment due to death or loss of Part A or B. The CMS strongly suggests that MA organizations send these notices, to ensure any erroneous disenrollments are corrected as soon as possible. Refer to [Exhibit 13](#) and [Exhibit 14](#) for model letters.

To request reinstatement *for disenrollment due to erroneous death indicator or erroneous loss of Medicare Part A or Part B*, the MA organization should submit the following information *to CMS (or its designee)*:

- A copy of the transaction reply report showing the disenrollment (include the system run date);
- A copy of any disenrollment letter that the MA plan may have sent to the individual (see [§§50.2.2](#) and [50.2.3](#)). Refer to model letters in Exhibits 13 and 14;
- A copy of any correspondence from the member disputing the disenrollment. Member correspondence could include a summary of the dispute, phone contact reports, and copies of letters;
- A copy of the letter to the member informing him/her to continue to use MA plan services until the issue is resolved. Refer to model letters in Exhibits 15 and 16; and
- Verification that the disenrollment was erroneous. This verification can be shown via documentation from SSA stating its records have been corrected or that its records never showed the member as being deceased or having lost entitlement. It may also be shown by a CMS or CMS subcontractor print screen supporting the uninterrupted existence of Medicare Part A or B enrollment.

60.3.2 - Reinstatements Due to Mistaken Disenrollment Made By Member

As stated in [§50.5](#), deliberate member-initiated disenrollments imply intent to disenroll. Therefore, reinstatements generally will not be allowed if the member deliberately initiated a disenrollment. An exception is made for those members who are able to cancel the disenrollment before the effective date of the disenrollment (as outlined in [§60.2.2](#)), given that this type of cancellation generally results in no changes to CMS records.

Reinstatements will be allowed at the request of a member who enrolled in a second MA organization, which resulted in an erroneous disenrollment from the original MA organization in which he/she was enrolled, and who was able to cancel the enrollment in the second MA organization (as outlined in [§60.2.1](#)). When a cancellation of enrollment in a second MA organization is properly made, the associated automatic disenrollment from the first MA organization becomes invalid. Generally, these reinstatements will only be granted when the member submits the request for reinstatement in writing in the time frames described in the next paragraph, and has only used health care services from providers in the original (first) MA plan (not including emergency or urgently needed services) since the original effective date of the disenrollment.

For reinstatement requests due to mistaken disenrollment by the member, when the disenrolled member verbally contacts the original MA organization to state that he/she mistakenly disenrolled, and states that he/she wants to remain a member of the MA plan, the MA organization must instruct the member to notify the MA organization in writing of the desire to remain enrolled in the plan within 30 calendar days after the MA organization sent the notice of disenrollment to the individual (i.e., the notices shown in Exhibit 12). The MA organization must also instruct the member as soon as possible to continue to use MA plan services (refer to Exhibit 17 for a model letter). *As of the effective date of enrollment, plan systems should indicate active membership.*

If the MA organization does not receive the written statement requested from the member within the required time frame, then it must close out the reinstatement request by notifying the individual of the denial of reinstatement (refer to Exhibit 18 for a model letter), and should do so within *ten calendar* days after the date the member's written request was due at the MA organization.

To request reinstatement *in response to a mistaken disenrollment by the member*, the MA organization must submit the following information *to CMS (or its designee)*:

- A copy of the transaction reply report showing the disenrollment (include the system run date);
- A copy of the disenrollment letter sent to the individual. Refer to model letter in Exhibit 12 (or Exhibit 11, if appropriate);
- A copy of any correspondence from the member disputing the disenrollment and indicating that he/she wants to remain enrolled in the plan. Member correspondence could include a summary of the facts, phone contact reports, and copies of letters;
- A copy of the letter to the member informing him/her to continue to use MA plan services until the issue is resolved and instructing him/her to state the intent to continue enrollment in writing. Refer to model letter in Exhibit 17; and
- A copy of the written statement from the member indicating he/she wants to remain enrolled in the MA plan and has not used non-plan services (except for emergency or urgently needed services).

60.4 - Retroactive Enrollments

If an individual has fulfilled all enrollment requirements, but the MA organization or CMS is unable to process the enrollment for the required effective date (as outlined in §30.5), CMS (or its designee) will process a retroactive enrollment.

In addition, auto-enrollment for full-benefit dual eligible as described in §40.1.6 may be retroactive to ensure no coverage gap between the end of Medicaid coverage for Part D drugs and the beginning of Medicare drug coverage.

In other limited cases, CMS may determine that an individual is eligible for an SEP due to an extraordinary circumstance beyond his/her control (e.g. a fraudulent enrollment

request or misleading marketing practices) and may also permit a retroactive enrollment in an MA plan as necessary to prevent a gap in coverage or liability for the late enrollment penalty.

Unlike a reinstatement, which is a correction of records to “erase” an action, a retroactive enrollment is viewed as an action to enroll a beneficiary into a plan for a new time period. Therefore, retroactive enrollments may NOT be made back to a date when an MA plan was closed for enrollment.

NOTE: Keep in mind that unless a capacity limit applies, all MA plans are open for ICEP, AEP, and SEP elections; therefore, all MA plans are open for retroactive enrollments for these types of elections.

When an individual has fulfilled all enrollment requirements, but the organization or CMS is unable to process the enrollment, the following documentation must be submitted to CMS (or its designee) The retroactive enrollment request should be made within 45 calendar days of the availability of the first transaction reply report.

1. A copy of signed completed enrollment form *(the form must have been signed by the applicant prior to the requested effective date of coverage, in order to effectuate the requested effective date of coverage);*

Or

- A copy of the enrollment election record (the election record must show that the election was made prior to the requested effective date of coverage).
2. A copy of MA organization’s letter to the member acknowledging receipt of the completed enrollment election and notifying the member to begin using the MA plan’s services as of the effective date (refer to Exhibits 4, 4a, 4b and 4d for model letters). The letter must be dated prior to the requested retroactive effective date of coverage (or, when appropriate as outlined in §40.4.2, within *ten calendar* days after the effective date of coverage), in order to effectuate the requested effective date of coverage.
3. *Evidence of Medicare Part A and Part B coverage, as described in §10.*
4. Copies of *at least one* transaction reply report indicating the MA organization’s attempts to *submit valid enrollment transactions that were rejected*. The effective date on the transaction reply report must correspond with the requested effective date, in order to effectuate the retroactive effective date of coverage.
5. For cases of an erroneous indicator of ESRD, either because the individual has never had ESRD or because ESRD status has been terminated:
 - Evidence of contact with the individual after the first systems rejection, including the individual’s explanation for rejection. If the individual reports that he/she no longer has ESRD or that he/she has had a kidney transplant or no longer receives dialysis services, then provide medical documentation, for example a letter from the physician or dialysis facility

that documents date of transplant or last month of dialysis. If the individual reports that he/she never had ESRD, provide a statement signed by the individual (or his/her physician) to that effect.

- A copy of the transaction reply reports or print screens indicating the MA organization's attempts to correctly enroll the individual and the resulting rejection. The effective date on the transaction reply report must correspond with the requested effective date in order to effectuate the retroactive effective date.

In the event that CMS determines that the MA organization did not notify the member that he/she must use MA plan services during the period covered by the retroactive enrollment request, a retroactive enrollment request will be denied. In this case, if the Medicare eligible individual has used MA plan services during the period covering the retroactive enrollment request, the MA organization may bill Medicare for the services. The MA organization may bill for Medicare Part B services from the Medicare carrier *but* must have an indirect billing number *to do so. Alternatively, the organization* may have its certified MA plan providers bill for Medicare Part B services. *Only* the certified MA plan providers may bill the Medicare fiscal intermediary for Medicare Part A services. The beneficiary would *be* responsible for any co-insurance and deductible.

60.5 - Retroactive Disenrollments

If an enrollment was never legally valid (§40.6) or if a valid request for disenrollment was properly made, but not processed or acted upon, which includes not only system error, but plan error (see §10 for a definition of “system error” and “plan error”), CMS (*or its designee*) may *grant a retroactive disenrollment*. CMS (*or its designee*) may also *process* a retroactive disenrollment if the reason for the disenrollment is related to a permanent move out of the plan service area (as outlined in §50.2.1.2), a contract violation (as outlined in 42 CFR 422.62(b)(3)) *or other limited exceptional conditions established by CMS (e.g. fraudulent enrollment or misleading marketing practices)*.

Retroactive disenrollments can be submitted to CMS (*or its designee*) by the beneficiary or an MA organization. Requests from an MA organization must include *a copy of the disenrollment request, as well as an explanation as to why the disenrollment was not processed correctly*. MA organizations must submit retroactive disenrollment requests to CMS (*or its designee*) as soon as possible. If CMS approves a request for retroactive disenrollment, the MA organization must return any premium paid by the member for any month for which CMS processed a retroactive disenrollment. In addition, CMS will retrieve any capitation payment for the retroactive period.

A retroactive request must be submitted by the MA organization (*or by the member*) to CMS (*or its designee*) in cases in which the MA organization has not properly processed or acted upon the member's request for disenrollment as required in §50.4.1 of these instructions. A disenrollment request would be considered not properly acted upon or processed if the effective date is a date other than as required in §30.6.

60.6 - Retroactive Transactions for Employer/*Union* Group Health Plan (EGHP) Members

In some cases an MA organization that has both a Medicare contract and a contract with an EGHP arranges for the employer *or union* to process elections for Medicare-entitled group members who wish to make elections under the Medicare contract. However, there can be a delay between the time the member *completes* the election through the EGHP and when the election is received by the MA organization. Therefore, retroactive transactions for these routine delays may be necessary and are provided for under this section. Errors made by an EGHP, such as failing to forward a valid enrollment or disenrollment election within the timeframes described below, must be submitted to CMS (or its designee) for review. Repeated errors may indicate an ongoing problem and therefore will be forwarded to the MA organization's CMS Plan Manager for compliance monitoring purposes. The MA organization's agreement with the EGHP *must* include the need to meet the requirements provided in this chapter that ensure timely *receipt of* MA elections to help avoid such errors.

60.6.1 - EGHP Retroactive Enrollments

The effective date *of EGHP enrollment elections* cannot be prior to the date the enrollment election was completed by the beneficiary. The effective date may be retroactive up to, but not exceeding, 90 days, *from the date the organization received the request (which was completed prior to the effective date) from the employer or union group.*

EXAMPLE

In March 2002, the CMS system processing date was March 13, 2002. Elections processed by CMS for the March 13, 2002, due date were for the prospective April 1, 2002, payment. For EGHPs, an effective date of March 1, February 1, or January 1 would reflect 30, 60 and 90 days of retroactive payment adjustment, respectively. Therefore, if a completed EGHP election were to be received *by the MA organization* on March 5, 2002, the retroactive effective date could be January 1, February 1, or March 1, *as long as the enrollment request was completed prior to the effective date.*

NOTE: Keep in mind that unless a capacity limit applies, all MA plans are open for ICEP, AEP, and SEP elections. Therefore, all MA plans are open for retroactive enrollments for these types of elections.

No retroactive enrollments may be made unless the individual certifies that the MA organization (or EGHP) provided him/her with the explanation of enrollee rights (including the lock-in requirement) at the time of enrollment. The MA organization should submit such enrollments using *Transaction Code* 60. Refer to Chapter 19, "Managed Care and MA Systems Requirements" and the *Medicare Advantage and Prescription Drug Plan Communications User Guide (PCUG)* for more *information. Transaction Code 60 is to be used only for the purpose of submitting a retroactive enrollment into an EGHP made necessary due to the employer's delay in forwarding the completed enrollment request to the MA organization.*

60.6.2 - EGHP Retroactive Disenrollments

The MA organization must submit a retroactive disenrollment request to CMS (or its designee) if an *EGHP* does not provide the MA organization with timely notification of a member's requested disenrollment. Up to 90 day's retroactive **payment** adjustment is possible in such a case to conform *to* the adjustments in payment described under 42 CFR 422.250(b). The *EGHP* notification is considered untimely if it does not result in a disenrollment effective date as outlined in §30.6.

The MA organization must submit a disenrollment notice (i.e., documentation) to CMS (or its designee) demonstrating that the member acted to disenroll in a timely fashion (i.e., prospectively), but that the *EGHP* was late in providing the information to the MA organization. Such documentation may include an enrollment form for a new MA plan signed by the member and given to the *EGHP* during an open enrollment season. The documentation may not include a copy of a Medicare supplemental plan or Medigap plan enrollment form unless the member indicated on that form that he/she has canceled any other insurance. Such documentation should be sent to CMS (or its designee) as soon as possible.

60.7 – User Interface (UI) Transactions Reply Codes (TRC) – Communications with Beneficiaries

Upon receipt of a CMS transaction reply, MA organizations must update their records to accurately reflect each individual's enrollment status. Organizations are also required to provide certain notices and information to beneficiaries when enrollment status is confirmed or changes. In the case of UI-TRC replies, the standard operating procedures for providing these notices and/or information may not fit some of the unique situations many UI enrollment changes address.

The table below provides guidelines for communicating with beneficiaries when enrollment changes are reported to MA organizations using the "700 series" TRCs that result from UI enrollment changes. In all cases, organizations will need to review the situations carefully to determine the necessity and appropriateness of sending notices. Some UI enrollment change processes will result in multiple 700-series TRCs being reported. Organizations must determine the final disposition of the beneficiary to ensure the correct message is provided in any notice sent. In complex situations, CMS encourages organizations to communicate directly (such as by telephone) with the beneficiary, in addition to any required notice or materials. When it is necessary to send a notice, organizations must issue the notice within ten calendar days of receipt of the transaction reply report.

TRC	Beneficiary Communication Action
701 – New UI Enrollment	<i>Organizations may use existing confirmation notices as provided in CMS enrollment guidance. If such notice has already been provided with the same information, it is not necessary to provide it a second time.</i>
702 – New UI Fill-in Enrollment	<i>Organizations must use Exhibit 30, "Enrollment Status Update." Include the date range covered by the new fill-in period.</i>

703 – UI Enrollment Cancel	If a cancellation notice applicable to this time period has already been provided, it is not necessary to provide it a second time. If notice has not been provided, organizations may use the existing cancellation of enrollment notice as provided in CMS enrollment guidance. If the specific situation warrants, organizations may use Exhibit 30 instead, providing information that clearly indicates that the enrollment period in question has been cancelled. Include information about the refunding of plan premiums, if applicable.
704 – New UI Enrollment – PBP Change	If the UI action is a correction to a plan submission error, the organization may have already provided the correct plan (PBP) information; if that’s the case, it is not necessary to send it a second time. If the beneficiary has not received information about the specific plan (PBP), the organization must send the materials required in CMS enrollment guidance that would be provided for any new enrollment. Organizations must also send Exhibit 30 describing the plan change, including the effective date. The impact of the change on plan premiums, cost sharing, and provider networks must be communicated clearly. It is not necessary to confirm with a notice the associated “enrollment canceled” TRC that will accompany the enrollment into the new plan (PBP).
705 – UI Enrollment Cancel – PBP change	Follow the guidance provided above for TRC 704.
706 – UI New Enrollment – Segment Change	Plan (PBP) segment changes apply only to MA plans. Provide updated materials reflecting the new elements of the changed segment, such as premium and cost sharing increases or decreases.
707- UI Enrollment Cancel – Segment Change	Follow the guidance above for TRC 706.
708 – UI End Date Assigned	This UI action has the same effect as a plan submitted disenrollment (code 51) transaction. Generally, organizations should follow existing CMS enrollment guidance for providing notice and confirmation of the disenrollment. However, since many UI initiated changes are retroactive, organizations may have already provided notice (with correct effective dates) and if so, need not provide it a second time. Additional clarification may be appropriate depending on the specifics of the case.
709 – UI Earlier Start Date	An existing enrollment period in the plan has changed to start earlier than previously recorded. If the organization has already provided notice reflecting this effective date of enrollment, it is not necessary to provide it a second time. When the individual has not already received notice reflecting this effective date, organizations may use existing confirmation of enrollment notices where there is confidence that such notice will not cause undue confusion. Alternatively, organizations may use Exhibit 30 , including in it the new

	<i>effective date and information about additional premium liability (ensure flexibility in allowing payment arrangements where necessary). Organizations must also ensure individuals are fully aware of how to access coverage of services for the new time period, including their right to appeal.</i>
<i>710 – UI Later Start Date</i>	<i>An existing enrollment period start date has been changed to start on a later date. Organizations must use Exhibit 30. Organizations must explain the change in the effective date of coverage, and provide information on the refunding of any premiums paid. Organizations must also explain the impact on any paid claims from the time period affected.</i>
<i>711 – UI Earlier End Date</i>	<i>An enrollment period end date has been changed to occur earlier. Organizations must use Exhibit 30. Organizations must explain the change in the effective date of the end of coverage, and provide information on the refunding of any premiums paid. Organizations must also explain the impact on any paid claims from the time period affected.</i>
<i>712 – UI Later End Date</i>	<i>An enrollment period end date has been changed to occur later. Organizations must use Exhibit 30. Organizations must explain the change in the effective date of the end of coverage, and provide information on any premiums the individual may owe for the extended period. Organizations must also ensure beneficiaries are fully aware of how to access coverage of services for the new time period.</i>
<i>713 – UI Removed End Date</i>	<i>An enrollment period that previously had an end date is now open (and ongoing). Organizations must use Exhibit 30 to explain the change and that enrollment in the plan is now continuous. Organizations must provide information on any plan premiums and ensure beneficiaries are fully aware of how to access coverage of services for the new time period and going forward.</i>

60.8 - Election of the Continuation of Enrollment Option for MA Local Plans

When a member permanently moves into the MA organization’s continuation area, the member must make a positive choice to continue enrollment in the MA local plan. The member does not have to complete and sign a new enrollment form in order for the continuation to occur but must make this choice in a manner described in the MA organization’s policy and procedure documents.

The MA organization must verify that the member has established permanent residence in the continuation area. Proof of permanent residence is normally established by the address of the residence, but the MA organization may request additional information such as voter’s registration records, driver’s license records, tax records, and utility bills. Such records must establish the permanent residence address, and not the mailing address, of the individual.

The effective date of a continuation of enrollment change generally is the first day of the month after the individual moves into the continuation area.

60.9 - Storage of Enrollment and Disenrollment Records

As stated at 42 CFR 422.60(c)(2), MA organizations are required to file and retain election forms. MA organizations must retain and have available for evaluation enrollment and disenrollment records for the current contract period and ten (10) prior periods (42 CFR 422.504(e)(4)).

It is appropriate to allow for storage on microfilm, as long as microfilm versions of enrollment forms and disenrollment requests showing the signature and the date are available to reviewers. Similarly, other technologies that would allow the reviewer to access signed forms and other enrollment elections may also be allowed, such as optically scanned forms stored on disk.

Records of MA enrollment and disenrollment elections made by any other election mechanism (as described in §40.1) must also be retained as above.

Appendices

Summary of Medicare Advantage Notice and Data Element Requirements

Appendix 1: Summary of Notice Requirements

Referenced in sections: 10, 30, 40, 50, and 60

This Exhibit is intended to be a summary of notice requirements. For exact detail on requirements and time frames, refer to the appropriate sections within this *guidance*.

Notice	Section	Required?	Timeframe
Model Enrollment Form (Exh. 1)	10, 40.1, 40.2, 40.4.1	Yes ²	NA
<i>Information to include on or with Enrollment Form -- Information to Determine Enrollment Periods (Exh. 1a)</i>		No	NA
<i>MA MSA Enrollment Form (Exh 1b)</i>	<i>40.1.1</i>	<i>Yes³</i>	<i>NA</i>
EGHP Enrollment Form (Exh. 2)	10, 40.1, 40.2, 40.4.1	No	NA
Short Enrollment Forms (Exh. 3 and 3a)	10, 40.1, 40.2, 40.4.1	No	NA
Acknowledgment of Receipt of Completed Enrollment Election (Exh. 4 and 4a)	40.4.1, 60.4	Yes ⁴	<i>10 calendar</i> days of receipt of completed enrollment election
Combination Acknowledgement and Confirmation Notice (Exh. 4b)	40.4	Yes ⁵	<i>7 calendar</i> days of <i>receipt of</i> reply listing
<i>L-OEP Enrollment Requests Into MA-Only Plans (other than PFFS) (Exh. 4c)</i>	<i>30.3.3</i>	<i>Yes⁶</i>	<i>10 calendar</i> days of receipt of enrollment request
<i>Acknowledge Receipt of Completed PFFS Enrollment Election (Exh.4d)</i>	<i>40.4.1, 60.4</i>	<i>Yes⁷</i>	<i>10 calendar</i> days of receipt of completed enrollment request
Request for Information (Exh. 5)	40.2.2	No	<i>10 calendar</i> days of receipt of enrollment request

² Other CMS approved enrollment election mechanisms may take the place of an enrollment form

³ *Other CMS approved enrollment election mechanisms may take the place of an enrollment form*

⁴ Required unless combined acknowledgment/confirmation notice is issued.

⁵ Required if the MAO has chosen to provide a single notice in response to the weekly TRR, as described in §40.4.1.

⁶ *Required if applicant has other drug coverage; telephonic contact acceptable in lieu of notice.*

⁷ *Required unless combined acknowledgment/confirmation notice is issued.*

Notice	Section	Required?	Timeframe
Confirmation of Enrollment (Exh. 6 and 6a)	40.4.2, 40.6	Yes ⁸	<i>10 calendar</i> days of reply listing
Notice to Individuals Identified on CMS Records As Members of Employer <i>or Union</i> Group Receiving <i>Retiree Drug</i> Subsidy (Exh. 6b)	40.2.5	Yes	<i>10 calendar</i> days of reply listing
<i>Confirm PFFS Enrollment (Exh. 6c)</i>	<i>40.4.2</i>	<i>Yes⁹</i>	<i>10 calendar days of reply listing</i>
MAO Denial of Enrollment (Exh. 7)	40.2.3	Yes	<i>10 calendar</i> days of denial determination
CMS Rejection of Enrollment (Exh. 8)	40.4.2	Yes	<i>10 calendar</i> days of reply listing (exception described in §40.4.2)
Sending Out Disenrollment Form/Disenrollment Form (Exh. 9-10)	50.1	No	NA
Acknowledgment of Receipt of Voluntary Disenrollment Request from Member (Exh. 11)	50.1, 50.4.1	Yes	<i>10 calendar</i> days of receipt of request to disenroll
Final Confirmation of Voluntary Disenrollment Request from Member (no exhibit)	50.1	No	NA
Confirmation of Voluntary Disenrollment Identified Through Reply Listing (Exh. 12)	50.1, 50.4.1, 60.3.2	Yes	<i>10 calendar</i> days of reply listing
Denial of Disenrollment (Exh. 12a)	50.1.4	Yes	<i>10 calendar</i> days of denial determination
Rejection of Disenrollment (Exh. 12b)	50.1	Yes	<i>10 calendar</i> days of reply listing
Verification of Change in Address (no exhibit)	50.2.1	No	NA

⁸ Required unless combined acknowledgment/confirmation notice is issued.

⁹ *Required unless combined acknowledgment/confirmation notice is issued.*

Notice	Section	Required?	Timeframe
Disenrollment Due to Permanent Move (no exhibit)	50.2.1	Yes	Within <i>10 calendar</i> days of learning of the permanent move and no later than before the disenrollment transaction is submitted to CMS
Notice of Upcoming Disenrollment Due to Out of Area > 6 Months (no exhibit)	50.2.1	Yes	Any time during the 6th month, or no later than <i>10 calendar</i> days after the 6th month as long as the notice is sent before the disenrollment transaction is submitted to CMS
Final Confirmation of Disenrollment Due to Out of Area > 6 Months (no exhibit)	50.2.1	No	NA
Disenrollment Due to Death (Exh. 13)	50.2.3, 50.4.2, 60.3.1	No	NA
Disenrollment Due to Loss of Part A and/or Part B Coverage (Exh. 14)	50.2.2, 50.4.2, 60.3.1	No	NA
Notices on Terminations/Nonrenewals	50.2.4	Yes	Follow requirements in 42 CFR 422.506 - 422.512
Warning of Potential Disenrollment Due to Disruptive Behavior (no exhibit)	50.3.2	Yes	NA
Disenrollment for Disruptive Behavior (no exhibit)	50.3.2	Yes	Before the disenrollment transaction is submitted to CMS
Disenrollment for Fraud and Abuse (no exhibit)	50.3.3	Yes	Before the disenrollment transaction is submitted to CMS
Offering Beneficiary Services, Pending Correction of Erroneous Death Status (Exh. 15)	60.3, 60.3.1	Yes	<i>10 calendar</i> days of initial contact with member
Offering Beneficiary Services, Pending Correction of Erroneous Part A/B Termination (Exh. 16)	60.3, 60.3.1	Yes	<i>10 calendar</i> days of initial contact with member
Offering Reinstatement of Beneficiary Services, Pending Correction of Disenrollment Status	60.3, 60.3.2	Yes	<i>10 calendar</i> days of initial contact with member

Notice	Section	Required?	Timeframe
Due to Enrolling in Another MA organization (Exh. 17)			
Closing Out Request for Reinstatement (Exh. 18)	60.3.2	Yes	<i>10 calendar</i> days after information was due to MA organization
Failure to Pay Plan Premiums - Advanced Notification of Disenrollment or Reduction in Coverage (Exh. 19)	50.3.1	Yes	Within <i>10 calendar</i> days after the 1 st of the month for which delinquent premiums due
Failure to Pay Plan Premiums - Notification of Involuntary Disenrollment (Exh. 20)	50.3.1	Yes	Before the disenrollment transaction is submitted to CMS
Failure to Pay Plan Premiums - Confirmation of Involuntary Disenrollment (Exh. 21)	50.3.1	No	
Failure to Pay Plan Premiums - Notice of Reduction in Coverage (Exh. 22)	50.3.1	Yes	Prior to effective date of reduction in coverage
Public Notices For Closing Enrollment due to Capacity Limit (Exh. 23)	40.5	Yes	15 days if related to CMS approved capacity limit
Notice that Election Placed on Waiting List (no exhibit)	40.5.1, 40.5.2	Yes	<i>10 calendar</i> days of receiving enrollment election or of approval from CMS to limit enrollment
Re-affirming Intent to Not Enroll (no exhibit)	40.5.1, 40.5.2	No	
Intent to Not Process Enrollment (no exhibit)	40.5.1, 40.5.2	Yes	<i>10 calendar</i> days of learning beneficiary no longer wants to enroll
Medigap Rights per Special Election Period (Exh. 24)	50.2, 50.1	No	Upon request.
Request to cancel enrollment (Exh. 25)	60.2.1	Yes	<i>10 calendar</i> days of request
Request to cancel disenrollment (Exh. 26)	60.2.2	Yes	<i>10 calendar</i> days of request
Inform Member of Auto-Enrollment (Exh. 27)	40.1.6	Yes	<i>10 calendar days of identifying individual as needing auto-enrollment</i>
<i>Inform FBDE Member of Auto-</i>	<i>40.1.6</i>	<i>Yes</i>	<i>10 calendar days of identifying individual as</i>

Notice	Section	Required?	Timeframe
<i>Enrollment in PDP (Exh. 27a)</i>			<i>needing auto-enrollment</i>
Inform Member of Facilitated Enrollment (Exh. 28)	40.1.6	Yes	<i>10 calendar days of identifying individual as needing auto-enrollment</i>
<i>Inform Member of Facilitated Enrollment into PDP (Exh. 28a)</i>	<i>40.1.6</i>	<i>Yes</i>	<i>10 calendar days of identifying individual as needing auto-enrollment</i>
Request to Decline Part D (Exh. 29)	40.1.6	Yes	<i>10 calendar</i> days of request
<i>Enrollment Status Update (Exh. 30)</i>	<i>60.7</i>	<i>As necessary</i>	<i>10 calendar days of receipt of reply listing</i>

Appendix 2: Data Elements Required to Complete the Enrollment Election

Referenced in section(s): 20, 20.4, 40.2, 40.4.1

All data elements with a “Yes” in the “Required before enrollment complete” column are necessary in order for the enrollment to be considered complete.

	Data Element	Required before enrollment complete?	Exhibit # in which data element appears
1	MA Plan name	Yes	1, 2, 3, 3a
2	MA Plan/Product/premium choice (if <i>applicable</i>)	Yes	1, 2, 3a
3	Beneficiary name	Yes	1, 2, 3, 3a
4	Beneficiary Date of Birth	Yes	1, 2
5	Beneficiary Sex	Yes	1, 2
6	Social Security Number (<i>optional field</i>)	No	1,2
7	Beneficiary Telephone Number	No	1, 2, 3
8	Permanent Residence Address	Yes	1, 2, 3
9	Mailing Address	No	1, 2, 3
10	Name of person to contact in emergency, including phone number and relationship to beneficiary (Optional Field)	No	1, 2
11	E-mail Address (<i>Optional Field</i>)	No	1,2,3
12	Beneficiary Medicare number	Yes	1, 2, 3
13	Additional Medicare information contained on sample Medicare card, or copy of card	No	1, 2
14	Plan Premium Payment Option	No ¹¹	1,3,3a
15	Response to ESRD Question	Yes	1, 2
16	Response to long term care question	No	1, 2
17	Response to other insurance COB information	No ¹²	1, 2
18	Response to Medicaid question	No	1, 2
19	Language preference (Optional Field)	No	1, 2

¹¹ Response defaults to direct bill if applicant fails to provide information

¹² Refer to CMS COB guidance for additional information

Data Element		Required before enrollment complete?	Exhibit # in which data element appears
20	Annotation of whether beneficiary is retiree, including retirement date and name of retiree (if not the beneficiary)	No	2
21	Question of whether spouse or dependents are covered under the plan and, if applicable, name of spouse or dependents	No	2
22	Question of whether beneficiary is currently a member of the plan and if yes, request for plan identification number	No	2
23	Name of chosen Primary Care Physician, clinic or health center (Optional Field)	No	1, 2, 3
24	Beneficiary signature and/or Authorized Representative Signature	Yes ¹³	1, 2, 3, 3a
25	Date of signature	No ¹⁴	1, 2, 3, 3a
26	Authorized representative contact information	Yes	1,2,3, 3a
27	Employer <i>or Union</i> Name and Group Number	Yes	2
28	Question of which MA plan the beneficiary is currently a member of and to which MA plan the beneficiary is changing	Yes	3
29	For enrollments into a Part D Payment Demonstration MA-PD plan, attestation regarding financial support for purchase of prescription drugs	Yes	1, 3, 3a
30	For Special Needs Plans, verification of SNP eligibility	Y	N/A
31	<i>For MSA plans, proof that MSA bank account has been established</i>	<i>Yes</i>	<i>N/A</i>

¹³ For Employer/*Union* Group MA enrollment elections as described in §40.1.7, and some other CMS approved enrollment elections, a signature is not required. For paper enrollment forms submitted without a signature, organization may verify with the applicant by telephone and document the contact instead of returning form.




¹⁴ As explained in §40.2, the beneficiary and/or legal representative should write the date s/he signed the enrollment form; however, if s/he inadvertently fails to include the date on the enrollment form, then the stamped date of receipt that the MA organization places on the enrollment form may serve as the signature date of the form. Therefore, the signature date is not a necessary element. For employer group MA elections as described in §40.4.1, the "signature date" is the date the employer's process was completed as recorded.

EXHIBITS

Model Medicare Advantage Enrollment Forms & Notices

Exhibit 1: Model MA Individual Enrollment Form (“Election” may also be used)

Referenced in section(s): 10, 40.1, 40.2, 50.1

To Enroll in <plan>, Please Provide the Following Information:																																									
<p>[Optional Field: Please check which plan you want to enroll in: ___ Product ABC \$XX per month ___ Product XYZ \$XX per month]</p>																																									
LAST name:	FIRST Name:	Middle Initial	<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms.																																						
Birth Date: (__ __/__ __/__ __ __ __) (MM/DD/YYYY)	Sex: <input type="checkbox"/> M <input type="checkbox"/> F	[Optional field: Social Security Number: (providing this information is optional)]	Home Phone Number: ()																																						
Permanent Residence Street Address:																																									
City:	State:	ZIP Code:																																							
Mailing Address (only if different from your Permanent Residence Address):																																									
Street Address:	City:	State:	ZIP Code:																																						
[Optional field: Emergency contact: _____]																																									
Phone Number: _____ Relationship to You: _____]																																									
[Optional field: E-mail Address: _____]																																									
Please Provide Your Medicare Insurance Information																																									
<p>Please take out your Medicare Card to complete this section.</p> <ul style="list-style-type: none"> Please fill in these blanks so they match your red, white and blue Medicare card <p>- OR -</p> <ul style="list-style-type: none"> Attach a copy of your Medicare card or your letter from the Social Security Administration or Railroad Retirement Board. <p>You must have Medicare Part A and Part B to join a Medicare Advantage plan.</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr style="background-color: #cccccc;"> <td colspan="2" style="text-align: center; padding: 5px;">MEDICARE</td> <td style="text-align: center; padding: 5px;"></td> <td colspan="2" style="text-align: center; padding: 5px;">HEALTH INSURANCE</td> </tr> <tr> <td colspan="5" style="text-align: center; padding: 5px;">SAMPLE ONLY</td> </tr> <tr> <td colspan="5" style="padding: 5px;">Name: _____</td> </tr> <tr> <td colspan="3" style="padding: 5px;">Medicare Claim Number</td> <td colspan="2" style="padding: 5px;">Sex _____</td> </tr> <tr> <td colspan="5" style="padding: 5px;">_____ - _____ - _____</td> </tr> <tr> <td colspan="3" style="padding: 5px;">Is Entitled To</td> <td colspan="2" style="padding: 5px;">Effective Date</td> </tr> <tr> <td colspan="3" style="padding: 5px;">HOSPITAL (Part A)</td> <td colspan="2" style="padding: 5px;">_____</td> </tr> <tr> <td colspan="3" style="padding: 5px;">MEDICAL (Part B)</td> <td colspan="2" style="padding: 5px;">_____</td> </tr> </table>	MEDICARE			HEALTH INSURANCE		SAMPLE ONLY					Name: _____					Medicare Claim Number			Sex _____		_____ - _____ - _____					Is Entitled To			Effective Date		HOSPITAL (Part A)			_____		MEDICAL (Part B)			_____	
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HOSPITAL (Part A)			_____																																						
MEDICAL (Part B)			_____																																						

[Zero premium MA plans omit this section:

Paying Your Plan Premium

You can pay your monthly plan premium by mail <insert optional methods: “**Electronic Funds Transfer (EFT)**”, “**credit card**”> **each month** <insert optional intervals, if applicable, for example “**or quarterly**”>. **You can also choose to pay your premium by automatic deduction from your Social Security Check each month.**

If you qualify for extra help with your Medicare prescription drug coverage costs, Medicare will pay all or part of your plan premium. If Medicare pays only a portion of this premium, we will bill you for the amount that Medicare does not cover.

If you don't select a payment option, you will receive a bill each month <optional language in place of “bill each month”: “coupon book” or “payment book”>.

Please select a premium payment option:

Receive a bill <option: “coupon”, “payment” book, etc>
<option to include other billing intervals e.g. bi-monthly, quarterly>

<Include other optional methods, such as EFT & credit card as follows:

Electronic funds transfer (EFT) from your bank account each month. Please enclose a **VOIDED** check or provide the following:

Account holder name: _____

Bank routing number: _____ Bank account number: _____

Account type: Checking Saving

Credit Card. Please provide the following information:

Type of Card: _____

Name of Account holder as it appears on card: _____

Account number: _____

Expiration Date: __/__/____ (MM/YYYY)>

Automatic deduction from your monthly SSA benefit check. (The SSA deduction may take two or more months to begin. In most cases, the first deduction from your SSA benefit check will include all premiums due from your enrollment effective date up to the point withholding begins.)

Please read and answer these important questions:

1. Do you have End Stage Renal Disease (ESRD)? Yes No

If you answered “yes” to this question and you do not need regular dialysis any more, or have had a successful kidney transplant, **please attach a note or records** from your doctor showing you do not need dialysis or have had a successful kidney transplant.

2. Some individuals may have other drug coverage, including other private insurance, TRICARE, Federal employee health benefits coverage, VA benefits, or State pharmaceutical assistance programs.

Will you have other prescription drug coverage in addition to <MA plan>? Yes No

If “yes”, please list your other coverage and your identification (ID) number(s) for this coverage:

Name of other coverage: _____

ID # for this coverage: _____

Group # for this coverage _____

3. Are you a resident in a long-term care facility, such as a nursing home? Yes No

If “yes” please provide the following information:

Name of Institution: _____

Address & Phone Number of Institution (number and street): _____

4. Are you enrolled in your State Medicaid program? Yes No

If yes, please provide your Medicaid number: _____

5. Do you or your spouse work? Yes No

[Optional field: Please choose the name of a Primary Care Physician (PCP), clinic or health center:]

[Optional field: Please check one of the boxes below if you would prefer us to send you information in a language other than English:

___ Language A (e.g., Spanish)

___ Language B (e.g., Chinese)]

[Following box required only for MA-PD plans:



Please Read This Important Information

If you currently have health coverage from an employer or union, joining <MA-PD Name> could affect your employer or union health benefits. If you have health coverage from an employer or union, joining <MA-PD Name> may change how your current coverage works. Read the communications your employer or union sends you. If you have questions, visit their website, or contact the office listed in their communications. If there is no information on whom to contact, your benefits administrator or the office that answers questions about your coverage can help.]

Please Read and Sign Below

By completing this enrollment application, I agree to the following:

<Plan Name> is a Medicare Advantage plan and I will need to keep my Parts A and B. I can be in only one Medicare Advantage plan at a time. It is my responsibility to inform you of any prescription drug coverage that I have or may get in the future. *[MA-only plans insert: I understand that if I do not have Medicare prescription drug coverage, or creditable prescription drug coverage (as good as Medicare’s), I may have to pay a late enrollment penalty if I enroll in Medicare prescription drug coverage in the future.]* Enrollment in this plan is generally for the entire year. I may leave this plan only at certain times of the year, or under certain special circumstances, by /sending a request to <Name> or by calling 1-800-Medicare. TTY users should call 1-877-486-2048, *24 hours a day/7days a week.*

<Contract #, Material ID, CMS Approval Date (if applicable)>

<Plan name> serves a specific service area. If I move out of the area that <plan name> serves, I need to notify the plan so I can disenroll and find a new plan in my new area. Once I am a member of <plan name>, I have the right to appeal plan decisions about payment or services if I disagree. I will read the [insert either Member Handbook or Evidence of Coverage document] from <plan name> when I receive it to know which rules I must follow in order to receive coverage with this Medicare Advantage plan. *I understand that Medicare beneficiaries are generally not covered under Medicare while out of the country except for limited coverage near the U.S. border.*

[**MA PFFS do not include the following paragraph:** I understand that beginning on the date [plan name] coverage begins, I must get all of my health care from <plan name>, with the exception of emergency or urgently needed services or out-of-area dialysis services. Services authorized by <plan name> and other services contained in my <plan name> Evidence of Coverage document (also known as a member contract or subscriber agreement) will be covered. Without authorization, **NEITHER MEDICARE NOR <PLAN NAME> WILL PAY FOR THE SERVICES.**]

[**Insert the following for MA-PD Part D payment demonstration plan:** By joining this plan, I attest that I am not receiving any financial support from my current or former employer group or union (or my spouse's current or former employer group or union) intended for the purchase of prescription drugs or prescription drug coverage or to pay for, in whole or in part, my enrollment in a Medicare drug plan.]

Release of Information: By joining this Medicare health plan, I acknowledge that the Medicare health plan will release my information to Medicare and other plans as is necessary for treatment, payment and health care operations. *I also acknowledge that <plan name> will release my information [MA-PD plans insert: including my prescription drug event data] to Medicare, who may release it for research and other purposes which follow all applicable Federal statutes and regulations.* The information on this enrollment form is correct to the best of my knowledge. I understand that if I intentionally provide false information on this form, I will be disenrolled from the plan.

I understand that my signature (or the signature of the person authorized to act on behalf of the individual under the laws of the State where the individual resides) on this application means that I have read and understand the contents of this application. If signed by an authorized individual (as described above), this signature certifies that: 1) this person is authorized under State law to complete this enrollment and 2) documentation of this authority is available upon request by <plan name> or by Medicare.

Your Signature:

Today's Date:

If you are the authorized representative, you must provide the following information:

Name: _____

Address: _____

Phone Number: (____) ____ - _____

Relationship to Enrollee _____

Office Use Only:

Name of staff member (if assisted in enrollment): _____

Plan ID #: _____

Effective Date of Coverage: _____

ICEP/IEP: _____ OEP: _____ AEP: _____ SEP (type): _____ *Not Eligible:* _____

Exhibit 1a – *I*nformation to include on or with Enrollment Form -- Information to Determine Enrollment Periods

Typically, you may enroll in a Medicare Advantage plan during the annual enrollment period between November 15 and December 31 of each year. In addition, you can join a Medicare Advantage plan during the open enrollment period between January 1 and March 31 of each year, as long as you do not change your prescription drug coverage. However, there are exceptions that may allow you to enroll in a Medicare Advantage plan outside of these periods.




Please read the following statements and check the box to the left of the statement(s) and we will contact you for additional information.

- I am new to Medicare.
- I recently moved outside of the service area for my current plan.
- I have both Medicare and Medicaid or my state helps pay for my Medicare Premiums.
- I *receive* extra help paying for Medicare prescription drug coverage.
- I *live in* a Long Term Care Facility (for example, a nursing home or long term care *facility*).
- I recently moved “out” of a Long Term Care Facility (for example, a nursing home or long term care facility).*
- I recently “left” a PACE program.
- I recently involuntarily lost my creditable *prescription* drug coverage (as good as Medicare’s).
- I am either losing coverage I had from an employer *or union* or leaving employer *or union* coverage.
- I belong to a pharmacy assistance program provided by my state.*
- I recently returned to the United States after living permanently outside of the U.S.*
- I am no longer eligible for extra help paying for my Medicare prescription drugs.*
- I’m enrolled in the Original Medicare Plan.*

If none of the statements applies to you or if you are not sure, please contact us to see if you are eligible to enroll.

Exhibit 1b: Model MA MSA Plan Enrollment Form (“Election” may also be used)

Referenced in §40.1.1

To Enroll in <plan name>, Please Provide the Following Information:																																											
<p>[Optional Field: Please check which plan you want to enroll in: ___ Product ABC \$XX per month ___ Product XYZ \$XX per month]</p>																																											
LAST name:		FIRST Name:	Middle Initial																																								
			<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms.																																								
Birth Date: (__/__/____) (MM/DD/YYYY)	Sex: <input type="checkbox"/> M <input type="checkbox"/> F	Social Security Number: (providing this information is optional)	Home Phone Number: ()																																								
Permanent Residence Street Address:																																											
City:		State:	ZIP Code:																																								
Mailing Address (only if different from your Permanent Residence Address):																																											
Street Address:		City:	State:																																								
			ZIP Code:																																								
[Optional field: Emergency contact: _____]																																											
Phone Number: _____ Relationship to You: _____]																																											
[Optional field: E-mail Address: _____]																																											
Please Provide Your Medicare Insurance Information																																											
<p>Please take out your Medicare Card to complete this section.</p> <ul style="list-style-type: none"> • Please fill in these blanks so they match your red, white and blue Medicare card - OR - • Attach a copy of your Medicare card or your letter from the Social Security Administration or Railroad Retirement Board. <p>You must have Medicare Part A and Part B to join a Medicare Advantage plan.</p>		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr style="background-color: #cccccc;"> <td colspan="2" style="text-align: center; padding: 5px;">MEDICARE</td> <td style="text-align: center; padding: 5px;"></td> <td colspan="2" style="text-align: center; padding: 5px;">HEALTH INSURANCE</td> </tr> <tr style="background-color: #cccccc;"> <td colspan="5" style="text-align: center; padding: 5px;"><i>SAMPLE ONLY</i></td> </tr> <tr> <td colspan="5" style="padding: 5px;">Name: _____</td> </tr> <tr> <td colspan="3" style="padding: 5px;">Medicare Claim Number</td> <td colspan="2" style="padding: 5px;">Sex ____</td> </tr> <tr> <td colspan="5" style="padding: 5px;">_____ - _____ - _____</td> </tr> <tr> <td colspan="3" style="padding: 5px;">Is Entitled To</td> <td colspan="2" style="padding: 5px;">Effective Date</td> </tr> <tr> <td colspan="3" style="padding: 5px;">HOSPITAL (Part A)</td> <td colspan="2" style="padding: 5px;">_____</td> </tr> <tr> <td colspan="3" style="padding: 5px;">MEDICAL (Part B)</td> <td colspan="2" style="padding: 5px;">_____</td> </tr> </table>		MEDICARE			HEALTH INSURANCE		<i>SAMPLE ONLY</i>					Name: _____					Medicare Claim Number			Sex ____		_____ - _____ - _____					Is Entitled To			Effective Date		HOSPITAL (Part A)			_____		MEDICAL (Part B)			_____	
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Is Entitled To			Effective Date																																								
HOSPITAL (Part A)			_____																																								
MEDICAL (Part B)			_____																																								

Please read and answer these important questions

2. Do you have End Stage Renal Disease (ESRD)? Yes No

Generally, if you answered “yes” you are not eligible to enroll in <MSA plan name>. However, if you answered “yes” to this question and you do not need regular dialysis any more, or have had a successful kidney transplant, **please attach a note or records** from your doctor showing you do not need dialysis or have had a successful kidney transplant.

2. To enroll in <MSA plan name>, you may not have other health coverage as described below. Please answer each of the following questions:

A. Are you enrolled in your State Medicaid program? Yes No

B. Are you receiving Medicare Hospice benefits? Yes No

C. Some individuals may have other health coverage, including other private insurance, TRICARE, Federal employee health benefits coverage, VA benefits, or other health benefits that cover all or part of the annual Medicare MSA deductible. If you have any other such coverage, you are not eligible to enroll in <MSA plan name>

Will you have other health coverage in addition to <MSA plan name>? Yes No

If “yes”, please list your other coverage and your identification (ID) number(s) for this coverage so we can help you decide if you are eligible to enroll in <MSA plan name>:

Name of other coverage:

ID # for this coverage:

Group # for this coverage

3. Will you reside in the United States for at least 183 days during each year you are enrolled in <MSA plan>?

Yes No

4. Do you or your spouse work? Yes No

[Optional field: **Please check one of the boxes below if you would prefer us to send you information in a language other than English:**

___ Language A (e.g., Spanish)

___ Language B (e.g., Chinese)]

Please Read and Sign Below:

By completing this enrollment application, I agree to the following:

<MSA Plan Name> is a Medicare Advantage plan and I will need to keep my Parts A and B. I can be in only one Medicare Advantage plan at a time. It is my responsibility to inform you of any health coverage that I have or may get in the future. [MA-only plans insert: I understand that if I do not have Medicare prescription drug coverage, or creditable prescription drug coverage (as good as Medicare’s), I may have to pay a late enrollment penalty if I enroll in Medicare prescription drug coverage in the future.] Enrollment in this plan is generally for the entire year. I may leave this plan (“disenroll”) during the Annual Coordinated Enrollment Period that is November 15th through December 31st of every year (disenrollment is effective the following January 1st) or under certain limited special circumstances, by sending a request in writing to <MSA plan name>. If I choose a

<Contract #, Material ID, CMS Approval Date (if applicable)>

Medicare MSA plan and have not ever before elected an MSA plan, then change my mind, I may cancel my enrollment by December 15 of the same year by contacting my plan to cancel my enrollment request. I understand that my enrollment into an MSA plan is not complete until the bank account is established. I understand that I am enrolling in a plan that does not pay for Medicare covered services until a high deductible is satisfied, but allows me to use funds in my MSA account to pay for health services after the deductible is met the plan pays 100% of Medicare covered services.

If I am enrolling in a MSA demonstration plan, I may be responsible for cost sharing for certain preventive services, as described by the plan, before the deductible is met. After the deductible is met, I may be responsible for cost-sharing until my expenses for covered services reach the out-of-pocket maximum, after which the MSA demonstration plan pays 100% of Medicare covered services.

If I have any questions regarding the initial set-up of my MSA bank account or any of the information in this enrollment form, I should contact the plan at <MSA plan contact number>.

<MSA plan name> serves a specific service area. If I move out of the area that <MSA Plan Name> serves, I need to notify the plan so I can disenroll and find a new plan in my new area. Once I am a member of <MSA plan Name>, I have the right to appeal plan decisions about payment or services if I disagree. I will read the [insert either Member Handbook or Evidence of Coverage document] from <MSA plan name> when I receive it to know which rules I must follow in order to receive coverage with this Medicare Advantage plan.

Release of Information: By joining this Medicare health plan, I acknowledge that the Medicare health plan will release my information to Medicare and other plans as is necessary for treatment, payment and health care operations. I also acknowledge that <MSA plan name> will release my information [MA-PD plans insert: including my prescription drug event data] to Medicare, who may release it for research and other purposes which follow all applicable Federal statutes and regulations. The information on this enrollment form is correct to the best of my knowledge. I understand that if I intentionally provide false information on this form, I will be disenrolled from the plan.

I understand that my signature (or the signature of the person authorized to act on behalf of the individual under the laws of the State where the individual resides) on this application means that I have read and understand the contents of this application. If signed by an authorized individual (as described above), this signature certifies that: 1) this person is authorized under State law to complete this enrollment and 2) documentation of this authority is available upon request by <MSA Plan Name> or by Medicare.

Your Signature:

Today's Date:

If you are the authorized representative, you must provide the following information:

Name: _____

Address: _____

Phone Number: (____) ____- _____

Relationship to Enrollee _____

Office Use Only:

Name of staff member (if assisted in enrollment): _____

Plan ID #: _____

Effective Date of Coverage: _____

ICEP/IEP: _____ AEP: _____ SEP (type): _____ Not Eligible: _____

Exhibit 2: Model Employer/*Union* Group Health Plan Enrollment Form (“Election” may also be used)

Referenced in section(s): 10, 40.1, 40.2, 50.1

To Enroll in <plan name>, Please Provide the following Information:																			
Employer <i>or Union</i> Name:		Group #:																	
<p>[Optional Field: Please check which plan you want to enroll in: ___ Product ABC \$XX per month ___ Product XYZ \$XX per month]</p>																			
LAST name:	FIRST Name:	Middle Initial	<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms.																
Birth Date: (__ __/__ __/__ __ __ __) (MM/DD/YYYY)	Sex: <input type="checkbox"/> M <input type="checkbox"/> F	[Optional Field: Social Security Number: (providing this information is optional)]	Home Phone Number: ()																
Permanent Residence Street Address:																			
City:	State:	ZIP Code:																	
Mailing Address (only if different from your Permanent Residence Address):																			
Street Address:	City:	State:	ZIP Code:																
[Optional field: E-mail Address: _____]																			
Please Provide Your Medicare Insurance Information																			
<p>Please take out your Medicare Card to complete this section.</p> <ul style="list-style-type: none"> Please fill in these blanks so they match your red, white and blue Medicare card - OR - Attach a copy of your Medicare card or your letter from the Social Security Administration or Railroad Retirement Board. <p>You must have Medicare Part A and Part B to join a Medicare Advantage plan.</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #cccccc;"> <th colspan="2" style="text-align: center; padding: 5px;"> <div style="display: flex; justify-content: space-between; align-items: center;"> MEDICARE HEALTH INSURANCE </div> </th> </tr> </thead> <tbody> <tr> <td colspan="2" style="text-align: center; padding: 5px;">SAMPLE ONLY</td> </tr> <tr> <td colspan="2" style="padding: 5px;">Name: _____</td> </tr> <tr> <td style="padding: 5px;">Medicare Claim Number</td> <td style="padding: 5px;">Sex _____</td> </tr> <tr> <td colspan="2" style="padding: 5px;">_____ - _____ - _____</td> </tr> <tr> <td style="padding: 5px;">Is Entitled To</td> <td style="padding: 5px;">Effective Date</td> </tr> <tr> <td style="padding: 5px;">HOSPITAL (Part A)</td> <td style="padding: 5px;">_____</td> </tr> <tr> <td style="padding: 5px;">MEDICAL (Part B)</td> <td style="padding: 5px;">_____</td> </tr> </tbody> </table>			<div style="display: flex; justify-content: space-between; align-items: center;"> MEDICARE HEALTH INSURANCE </div>		SAMPLE ONLY		Name: _____		Medicare Claim Number	Sex _____	_____ - _____ - _____		Is Entitled To	Effective Date	HOSPITAL (Part A)	_____	MEDICAL (Part B)	_____
<div style="display: flex; justify-content: space-between; align-items: center;"> MEDICARE HEALTH INSURANCE </div>																			
SAMPLE ONLY																			
Name: _____																			
Medicare Claim Number	Sex _____																		
_____ - _____ - _____																			
Is Entitled To	Effective Date																		
HOSPITAL (Part A)	_____																		
MEDICAL (Part B)	_____																		

Please read and answer these important questions

1. Are you the retiree? Yes No

If yes, retirement date (month/date/year): _____

If no, name of retiree: _____

2. Are you covering a spouse or dependents under this employer *or union* plan? Yes No

If yes, name of spouse: _____

Name of dependents: _____

3. Do you or your spouse work? Yes No

4. Do you have End Stage Renal Disease (ESRD)? Yes No

If you answered “yes” to this question and you do not need regular dialysis any more, or have had a successful kidney transplant, **please attach a note or records** from your doctor showing you do not need dialysis or have had a successful kidney transplant.

4. Some individuals may have other drug coverage, including other private insurance, Worker’s Compensation, VA benefits or State pharmaceutical assistance programs.

Will you have other prescription drug coverage in addition to <plan *name*>? Yes No

If “yes”, please list your other coverage and your identification (ID) number(s) for this coverage:

Name of other coverage: _____

ID # for Coverage: _____

5. Are you a resident in a long-term care facility, such as a nursing home? Yes No

If “yes” please provide the following information:

Name of Institution: _____

Address & Phone Number of Institution (number and street): _____

6. Do you receive Medicaid benefits? Yes No

If yes, please provide your Medicaid number: _____

[Optional field: **Please Choose a Primary Care Physician (PCP), clinic or health center:**]

[Optional field: **Please check one of the boxes below if you would prefer us to send you information in a language other than English:**

___ Language A (e.g., Chinese)

___ Language B (e.g., Spanish)]

Please Read and Sign Below

By completing this enrollment application, I agree to the following:

<Plan Name> is a Medicare Advantage plan and I will need to keep my Parts A and B. I can only be in one Medicare Advantage plan at a time. It is my responsibility to inform you of any prescription drug coverage that I have or may get in the future. *[MA-only plans insert: I understand that if I do not have Medicare prescription drug coverage, or creditable prescription drug coverage (as good as Medicare’s), I may have to pay a late*

<Contract #, Material ID, CMS Approval Date (if applicable)>

*enrollment penalty if I enroll in Medicare prescription drug coverage in the future.] Enrollment in this plan is generally for the entire year. I may leave this plan only at certain times of the year, or under certain special circumstances, by sending a request to <Plan Name> or by calling 1-800-Medicare. TTY users should call 1-877-486-2048, **24 hours a day/7days a week.***

<Plan Name> serves a specific service area. If I move out of the area that <Plan Name> serves, I need to notify the plan so I can disenroll and find a new plan in my new area. Once I am a member of <Plan Name>, I have the right to appeal plan decisions about payment or services if I disagree. I will read the [insert either Member Handbook or Evidence of Coverage document] from <plan name> when I receive it to know which rules I must follow in order to receive coverage with this Medicare Advantage plan. *I understand that Medicare beneficiaries are generally not covered under Medicare while out of the country except for limited coverage near the U.S. border.*

[MA PFFS do not include the following paragraph: I understand that beginning on the date <plan name> coverage begins, I must get all of my health care from <plan name>, with the exception of emergency or urgently needed services or out-of-area dialysis services. Services authorized by <plan name> and other services contained in my <plan name> Evidence of Coverage document (also known as a member contract or subscriber agreement) will be covered. Without authorization, **NEITHER MEDICARE NOR <Plan Name> WILL PAY FOR THE SERVICES.]**

Release of Information: By joining this Medicare health plan, I acknowledge that the Medicare health plan will release my information to Medicare and other plans as is necessary for treatment, payment and health care operations. *I also acknowledge that <plan name> will release my information [MA-PD plans insert: including my prescription drug event data] to Medicare, who may release it for research and other purposes which follow all applicable Federal statutes and regulations.* The information on this enrollment form is correct to the best of my knowledge. I understand that if I intentionally provide false information on this form, I will be disenrolled from the plan.

I understand that my signature (or the signature of the person authorized to act on behalf of the individual under the laws of the State where the individual resides) on this application means that I have read and understand the contents of this application. If signed by an authorized individual (as described above), this signature certifies that: 1) this person is authorized under State law to complete this enrollment and 2) documentation of this authority is available upon request by <Plan Name> or by Medicare.

Your Signature:

Today's Date:

If you are the authorized representative, you must provide the following information:

Name : _____

Address: _____

Phone Number: (____) ____ - ____

Relationship to Enrollee _____

Office Use Only:

Name of staff member (if assisted in enrollment): _____

Plan ID #: _____

Effective Date of Coverage: _____

ICEP/IEP: _____ OEP: _____ AEP: _____ SEP (type): _____ *Not Eligible: _____*

Exhibit 3: Model Short Enrollment Form (“Election” may also be used)

This form may be used in place of the model individual enrollment form when a member of a MA plan is enrolling into another MA plan in the same MA organization.

Referenced in section(s): 10, 20.4, 40, 40.1

Name of Plan You are Enrolling In: _____		
Name: _____	Medicare Number: _____ (Note: may use “member number” instead of “Medicare number”)	
Home Phone Number: _____		
Permanent Street Address _____		
City: _____	State: _____	ZIP Code: _____
Mailing Address (only if different from your Permanent Street Address):		
Street Address: _____	City: _____	State: _____ ZIP Code: _____
Please fill out the following:		
I am currently a member of the _____ plan in _____ <MAO name> with a monthly premium of \$_____ .		
I would like to change to the _____ plan in _____ <MAO name>. I understand that this plan has different health benefits and a monthly premium of \$_____ .		
[Optional Field: Name of chosen Primary Care Physician (PCP), clinic or health center:]		

[Zero premium MA plans omit this section]

Your Plan Premium

You can pay your monthly plan premium by mail <insert optional methods: “Electronic Funds Transfer (EFT)”, “credit card”> each month <insert optional intervals, if applicable, for example “or quarterly”>. You can also choose to pay your premium by automatic deduction from your Social Security Check each month.

If you qualify for extra help with your Medicare prescription drug coverage costs, Medicare will pay all or part of your plan premium for this benefit. If Medicare pays only a portion of this premium, we will bill you for the amount that Medicare does not cover.

If you don’t select a payment option, you will receive a bill each month <optional language in place of “bill each month”: “coupon book” or “payment book”>.

Please select a premium payment option:

Receive a bill <option: Include other optional methods, such as EFT & credit card>

Automatic deduction from your monthly SSA benefit check. (The SSA deduction may take two or more months to begin. In most cases, the first deduction from your SSA benefit check will include all premiums due from your enrollment effective date up to the point withholding begins.)

<Contract #, Material ID, CMS Approval Date (if applicable)>

Please Read and Sign Below:

Release of Information: By joining this Medicare health plan, I acknowledge that the Medicare health plan will release my information to Medicare and other plans as is necessary for treatment, payment and health care operations. *I also acknowledge that <plan name> will release my information [MA-PD plans insert: including my prescription drug event data] to Medicare, who may release it for research and other purposes which follow all applicable Federal statutes and regulations.* The information on this enrollment form is correct to the best of my knowledge. I understand that if I intentionally provide false information on this form, I will be disenrolled from the plan. *I understand that Medicare beneficiaries are generally not covered under Medicare while out of the country except for limited coverage near the U.S. border.*

[MA PFFS do not include the following paragraph: I understand that beginning on the date [name of plan] coverage begins, I must get all of my health care from <plan name>, with the exception of emergency or urgently needed services or out-of-area dialysis services. Services authorized by <plan name> and other services contained in my <plan name> Evidence of Coverage document (also known as a member contract or subscriber agreement) will be covered. Without authorization, **NEITHER MEDICARE NOR <Plan Name> WILL PAY FOR THE SERVICES.**

[Insert the following for MA-PD Part D payment demonstration plan: By joining this plan, I attest that I am not receiving any financial support from my current or former employer group or union (or my spouse's current or former employer group or union) intended for the purchase of prescription drugs or prescription drug coverage or to pay for, in whole or in part, my enrollment in a Medicare drug plan.]

I understand that my signature (or the signature of the person authorized to act on behalf of the individual under the laws of the State where the individual resides) on this application means that I have read and understand the contents of this application. If signed by an authorized individual (as described above), this signature certifies that: 1) this person is authorized under State law to complete this enrollment and 2) documentation of this authority is available upon request by <Plan Name> or by Medicare.

Your Signature:	Today's Date:
------------------------	----------------------

If you are the authorized representative, you must provide the following information:

Name : _____

Address: _____

Phone Number: (____) ____ - ____

Relationship to Enrollee _____

<p>Office Use Only:</p> <p>Name of staff member (if assisted in enrollment): _____</p> <p>Plan ID #: _____</p> <p>Effective Date of Coverage: _____</p> <p>ICEP/IEP: _____ OEP: _____ AEP: _____ SEP (type): _____ <i>Not Eligible:</i> _____</p>
--

Exhibit 3a: Model Plan Selection Form for MA-PD - Switch From Plan to Plan Within MA Organization

Referenced in section(s): 10, 40, 40.1, 40.2

Dear <plan name> Member:

<Introduction - In the introduction of cover letter, MA *organization* may include language regarding plan choices, description of plans, differences, etc.>.

To make a change in the Medicare Advantage plan you have with <name of MA *organization*>, fill out the enclosed plan selection form to make your choice. Check off the plan you want, and sign the form. Then mail the completed form back to us <optional: in the postage-paid envelope> by <date>.

Please be aware that you can change health plans only at certain times during the year. Between November 15th and *December 31st each* year, anyone can join our plan. *In addition, you can switch plans between January 1st and March 31st, as long as you do not change your prescription drug coverage.*

If you select another plan and we receive your completed selection form by <date>, your new benefit plan will begin in <month/year>. Your monthly plan premium will be <premium amount> and you may continue to see any <current plan name> primary care doctors and specialists.

Complete the attached form only if you wish to change plans.

To help you with your decision, we have also included <year> <Summary of Benefits or benefit overview> for the available options.

If you have any questions, please call our Member Services Department at <phone number - if plan is planning to have informational meetings - include information about time/place of meetings >. TTY users should call <TTY number>. We are open <insert days/hours of operation and, if different, TTY hours of operation>. Thank you.

Plan Selection Form

Date:

Member Name:

Member Number:

I want to transfer from my current plan to the plan I have selected below. I understand that if this form is received by the end of any month, my new plan will generally be effective the 1st of the following month.

Please check the appropriate box below <list all available plans>:

_____ <Name of Plan>
<monthly premium amount>
<brief description of benefit - include items such as: visit copays, emergency room, durable medical equipment, inpatient care, annual out of pocket maximum on coinsurance services, etc.>

_____ <Name of Plan>
<monthly premium amount>
<brief description of benefit - include items such as: visit copays, emergency room, durable medical equipment, inpatient care, annual out of pocket maximum on coinsurance services, etc.>

[Zero premium MA plans omit this section:

Your Plan Premium

You can pay your monthly plan premium by mail <insert optional methods: “Electronic Funds Transfer (EFT)”, “credit card”> each month <insert optional intervals, if applicable, for example “or quarterly”>. You can also choose to pay your premium by automatic deduction from your Social Security Check each month.

If you qualify for extra help with your Medicare prescription drug coverage costs, Medicare will pay all or part of your plan premium for this benefit. If Medicare pays only a portion of this premium, we will bill you for the amount that Medicare does not cover.

If you don't select a payment option, you will receive a bill each month <optional language in place of “bill each month”: “coupon book” or “payment book”>.

Please select a premium payment option:

- Receive a bill <option: Include other optional methods, such as EFT & credit card>*
- Automatic deduction from your monthly SSA benefit check. (The SSA deduction may take two or more months to begin. In most cases, the first deduction from your SSA benefit check will include all premiums due from your enrollment effective date up to the point withholding begins.)*

[Insert the following for MA-PD Part D payment demonstration plan: By joining this plan, I attest that I am not receiving any financial support from my current or former employer group or union (or my spouse's current or former employer group or union) intended for the purchase of prescription drugs or prescription drug coverage or to pay for, in whole or in part, my enrollment in a Medicare drug plan.]

Signature: _____

Date: _____

**Please mail this form to:
<Insert mailing address>**

Exhibit 4: Model Notice to Acknowledge Receipt of Completed Enrollment Election

Referenced in section(s): 40.4.1, 60.4

<Member # - if member # is SSN, only use last 4 digits>
<RxID>
<RxGroup>
<RxBin>
<RxPCN>

Dear <Name of Member>:

Thank you for enrolling in <Plan name>. Beginning <effective date>, you must see your <plan name> doctor(s) for your health care. This means that starting <effective date>, all of your health care, except emergency or urgently needed care, **or out-of-area dialysis services**, must be given or arranged by a <plan name> doctor(s). You will need to pay your plan co-payments and co-insurance at the time you get health care services, as provided in your member materials.

[Optional language: This letter is proof of insurance that you should show during your doctor appointments until you get your member card from us.]

[MA PPO plans use the following paragraph in place of 1st paragraph above: Thank you for enrolling in <Plan name>. Beginning <effective date>, you must receive your health care as provided in your <insert either 'Member handbook' or 'Evidence of Coverage'>. You will need to pay your plan co-payments and co-insurance at the time you get health care services, as provided in your member materials. **[Optional language:** This letter is proof of insurance that you should show during your doctor appointments until you get your member card from us.]

[MA PFFS plans use the following paragraph in place of 1st paragraph above: Thank you for enrolling in <Plan name>. Beginning <effective date>, you will begin to receive your healthcare from <plan>, which allows you to go to any Medicare-approved doctor or hospital that is willing to give you care and accept our plan's terms of payment, as provided in your <insert either 'Member handbook' or 'Evidence of Coverage'>. You will need to pay your plan co-payments and co-insurance at the time you get health care services, as provided in your member materials. **[Optional language:** This letter is proof of insurance that you should show during your doctor appointments until you get your member card from us.]

Medicare must review all enrollments. We will send your enrollment to Medicare, and they will do a final review. When Medicare finishes its review, we will send you a letter to confirm your enrollment with <plan name>. But, you should not wait to get this letter before you begin using <plan name> doctors on <effective date>. Also, do not cancel any Medigap/Medicare Select or supplemental insurance that you have until we send you the confirmation letter.

[MA plans without a premium – do not use the following two paragraphs: If you qualify for extra help with your Medicare prescription drug coverage costs, Medicare may cover all or some

portion of your plan premium. We will bill you for the portion of your monthly premium that you owe. You can pay by mail or by electronic Funds Transfer (EFT). <Optional: insert other billing interval options, if available>.

If you choose, you can have your monthly premium automatically deducted from your Social Security check. Generally you must stay with the option you choose for the rest of the year. If you are interested in this option, please contact us at <plan telephone number>. TTY users should call <TTY number>.]

You must have Medicare Part A (Hospital Insurance) and Part B (Medical Insurance) to be a member of <Plan>. If you do not have Medicare Parts A and B, we will bill you for any health care you receive from us, and neither Medicare nor <plan name> will pay for those services. Also, if you have end stage renal disease (ESRD), you may not be able to be a member of <plan name>, and we may have to send you a bill for any health care you've received.

[MA PPO and PFFS plans do not use the following paragraph: Please remember that, except for emergency or out-of-area urgent care, or out-of-area dialysis services, if you get health care services from a non-<plan name> doctor without prior authorization, you will have to pay for these services yourself.]

Once enrolled in our plan, you can only make changes during certain times of the year. Between January and March, you have an opportunity to make *one* change, but you can only join a plan [plans with drug benefit: that has prescription drug coverage] [plans without a drug benefit: that does not have prescription drug coverage] Between November 15th and December 31st *each* year, anyone can make any type of change. If you have more questions about this, please feel free to call our Member Services department at <phone number>.

[If applicable, insert information instructing member in simple terms on how to select a primary care provider/site (PCP); how to obtain Medicare Advantage Plan services, e.g., provide the name, phone number, and location of the PCP, include the membership identification card when possible, explain unique POS and/or PPO procedures (when applicable), explain which services do not need PCP approval (when applicable), etc.]

If you have any questions, please call our Member Services department at <phone number>. TTY users should call <TTY number>. We are open <days/hours of operation and, if different, TTY hours of operation>. Thank you.

Exhibit 4a: Model Notice to Acknowledge Receipt of Completed Enrollment Election – Enrollment in another Plan Within the Same MA Organization

Referenced in section(s): 40.4.1, 60.4

<Member # - if member # is SSN, only use last 4 digits>

<RxID>

<RxGroup>

<RxBin>

<RxPCN>

Dear <Name of Member>:

Thank you for your request to change your enrollment from <old Plan name> to <new Plan name>. Starting <effective date>, you must see your <new Plan name> doctor(s) for your health care. This means that starting <effective date>, all of your health care, except emergency or urgently needed care, **or out-of-area dialysis services**, must be given or arranged by a <new plan name> doctor(s). You will need to pay your plan copayments at the time you get health care services. [*Optional*: This letter is proof of insurance that you should show during your doctor appointments.]

[*MA PPO plans use the following paragraph in place of 1st paragraph above*: Thank you for your request to change your enrollment from <old plan name> to <new plan name>. Beginning <effective date>, you must receive your health care as provided in your <insert either ‘Member handbook’ or ‘Evidence of Coverage’>. You will need to pay your plan co-payments and co-insurance at the time you get health care services, as provided in your member materials. <Optional: This letter is proof of insurance that you should show during your doctor appointments until you get your member card from us.>]

[*MA PFFS plans use the following paragraph in place of 1st paragraph above*: Thank you for your request to change your enrollment from <old plan name> to <new plan name>. Beginning <effective date>, you will begin to receive your healthcare from <new plan name>, which allows you to go to any Medicare-approved doctor or hospital that is willing to give you care and accept our plan’s terms of payment, as provided in your <insert either “Member handbook” or “Evidence of Coverage”>. You will need to pay your plan co-payments and co-insurance at the time you get health care services, as provided in your member materials. <Optional: This letter is proof of insurance that you should show during your doctor appointments until you get your member card from us.>]

Medicare must review all enrollments. We will send your enrollment to Medicare, and they will do a final review. When Medicare finishes its review, we will send you a letter to confirm your enrollment with <new plan name>. But, you should not wait to get this letter before you begin using <new plan name> doctors on <effective date>.

[MA plans without a premium – do not use the following two paragraphs: If you qualify for extra help with your Medicare prescription drug coverage costs, Medicare may cover all or some portion of your plan premium. We will bill you for the portion of your monthly premium that you owe. You can pay by mail or by electronic Funds Transfer (EFT). <Optional: insert other billing interval options, if available>.

If you choose, you can have your monthly premium automatically deducted from your Social Security check. Generally you must stay with the option you choose for the rest of the year. If you are interested in this option, please contact us at <plan telephone number>. TTY users should call <TTY number>.]

[MA PPO and PFFS plans do not use the following paragraph: Please remember that, except for emergency or out-of-area urgent care, or out-of-area dialysis services, if you get health care services from a non-<new plan name> doctor without prior authorization, you will have to pay for these services care yourself.]

Once enrolled in our plan, you can make changes only during certain times of the year. Between January and March, you have an opportunity to make *one* change, but you can only join a plan [*plans with drug benefit*: that has prescription drug coverage] [*plans without a drug benefit*: that does not have prescription drug coverage] Between November 15th and December 31st *each* year anyone can make any type of change. If you have more questions about this, please feel free to call our Member Services department at <phone number>.

If you have any questions, please call our Member Services department at <phone number>. TTY users should call <TTY number>. We are open <insert days/hours of operation and, if different, TTY hours of operation>. Thank you.

Exhibit 4b: Model Notice to Acknowledge Receipt of Completed Enrollment Election and to Confirm Enrollment

Referenced in section: 40.4, 60.4

<Member # - if member # is SSN, use only last 4 digits>
<RxID>
<RxGroup>
<RxBin>
<RxPCN>

Dear <Name of Member>:

Thank you for enrolling in <plan name>. Medicare has approved your enrollment in <plan name> beginning <effective date>. Therefore, beginning <effective date>, you must see your <plan name> doctor(s) for your health care. This means that starting <effective date>, all of your health care, except emergency or urgently needed care, **or out-of-area dialysis services**, must be given or arranged by a <plan name> doctor(s). You will need to pay your plan co-payments and co-insurance at the time you get health care services, as provided in your member materials. <Optional: This letter is proof of insurance that you should show during your doctor appointments until you get your member card from us.>

[*MA PPO plans use the following paragraph in place of 1st paragraph above:* Thank you for enrolling in <plan name>. Medicare has approved your enrollment in <plan name> beginning <effective date>. Beginning <effective date>, you must receive your health care as provided in your <insert either 'Member handbook' or 'Evidence of Coverage'>. You will need to pay your plan co-payments and co-insurance at the time you get health care services, as provided in your member materials. <Optional language: This letter is proof of insurance that you should show during your doctor appointments until you get your member card from us.>]

[*MA PFFS plans use the following paragraph in place of 1st paragraph above:* Thank you for enrolling in <plan name>. Medicare has approved your enrollment in <plan name> beginning <effective date>. Beginning <effective date>, you will begin to receive your healthcare from <plan name>, which allows you to go to any Medicare-approved doctor or hospital that is willing to give you care and accept our plan's terms of payment, as provided in your <insert either "Member handbook" or "Evidence of Coverage">. You will need to pay your plan co-payments and co-insurance at the time you get health care services, as provided in your member materials. <Optional: This letter is proof of insurance that you should show during your doctor appointments until you get your member card from us.>

[*MA-PD insert the following if no low-income subsidy:* The **monthly** premium for your plan is <insert premium>.

[MA-PD, if low-income subsidy applicable: Because you qualify for extra help with your prescription drug costs, you will pay:

<Contract #, Material ID, CMS Approval Date (if applicable)>

- A monthly premium of <insert premium less amount of premium assistance for which the individual is eligible>,
- <insert appropriate LIS deductible amount> for your yearly prescription drug plan deductible,
- <insert appropriate LIS copay amount> copayment when you fill a prescription.]

[Explain the charges for which the member will be liable, e.g., coinsurance, fees or other amounts, and any amount that is attributable to the Medicare deductible and coinsurance]

[Insert the following if LEP applies: You are being charged an additional <LEP amount> each month because our records show that you didn't have creditable prescription drug coverage (as good as Medicare's) for <# of uncovered months> months. <Plan name> can tell you how the late enrollment penalty is calculated and how we reviewed any creditable coverage evidence you submitted.]

[Insert the following ONLY if EGHP plan sponsor is paying the LEP amount on behalf of the individual: <Name of employer or union sponsoring the Plan> has agreed to pay <LEP amount>, the amount of your late enrollment penalty, on your behalf. If your coverage is terminated by you or <name of employer or union sponsoring the Plan>, or if <name of employer or union sponsoring the Plan> stops paying your late enrollment penalty, you will be responsible for paying that amount.]

*[Insert the following if LEP applies: **If you disagree with your late enrollment penalty, you can ask Medicare to reconsider (review) its decision.** (For example, you might disagree with the penalty if you were affected by Hurricane Katrina or if you got/get extra help from Medicare to pay for your prescription drug coverage in 2006 and/or 2007.) A notice explaining your right to a reconsideration of the late enrollment penalty is included with this letter. **You must submit your reconsideration request within 60 days of the date of this letter, or Medicare may not consider your request.**]*

[MA plans without a premium do not use the following paragraph: If you choose, you can have your monthly premium automatically deducted from your Social Security check. Generally you must stay with the option you choose for the rest of the year. If you are interested in this option, please contact us at <plan telephone number>. TTY users should call <TTY number>.]

*[MA PPO and PFFS plans do not use the following paragraph: Please remember that, except for emergency or out-of-area urgent care, **or out-of-area dialysis services**, if you get health care services from a non-<plan name> doctor without prior authorization, you will have to pay for these services yourself.]*

Once enrolled in our plan, you can make changes only during certain times of the year. Between January and March, you have an opportunity to make *one* change, but you can only join a plan [plans with drug benefit: that has prescription drug coverage] [plans without a drug benefit: that does not have prescription drug coverage]. Between November 15th and December 31st *each* year, anyone can make any type of change. If you have more questions about this, please feel

free to call our Member Services department at <phone number>.

[If applicable, please insert information instructing member in simple terms on how to select a primary care provider/site (PCP); how to obtain Medicare Advantage Plan services, e.g., provide the name, phone number, and location of the PCP, include the membership identification card when possible, explain unique POS and/or PPO procedures (when applicable), explain which services do not need PCP approval (when applicable), etc.]

Now that we have confirmed your enrollment, you may cancel any Medigap or supplemental insurance that you have. Please note that if this is the first time that you are a member of a Medicare Health Plan (Medicare Advantage or Medicare Cost plan), you may have a trial period during which you have certain rights to *leave* (disenroll from) <plan name> and purchase a Medigap policy. Please contact 1-800-MEDICARE (1-800-633-4227) for further information. TTY users should call 1-877-486-2048, *24 hours a day/7days a week.*

If you have any questions, please call our Member Services Department at <phone number>. TTY users should call <TTY number>. We are open <insert days/hours of operation and, if different, TTY hours of operation>. Please be sure to keep a copy of this letter for your records. Thank you.

Exhibit 4c: Model Notice for L-OEP Enrollment Requests Into MA-Only Plans (other than PFFS)

Referenced in section: 30.3.3

Dear <Name of applicant>:

Thank you for applying with <Plan Name>. Before we can process your enrollment, we need you to confirm that you want to be enrolled in <plan name>.

Medicare has informed us that you are either a member of a Medicare Prescription Drug plan or you are a member of an employer group health plan that includes prescription drug coverage. It is important that you consider your decision to enroll in <Plan Name> carefully. If you are currently enrolled in a Medicare prescription drug plan, enrollment in <plan name> will automatically cancel your enrollment in that plan. This means you will not have Medicare prescription drug coverage. If you enroll in Medicare prescription drug coverage at a later date, you may have to pay a late enrollment penalty. If you are a member of an employer or union group health plan that includes prescription drug coverage, enrollment in <Plan Name> may change how your current coverage works.

Please contact us by calling our <member services/customer service> department at <phone number>. TTY users should call <TTY number>. Your enrollment will not be complete until you call and tell us (1) that you want to enroll in <plan name> and (2) that you understand that your Medicare prescription drug plan will be automatically cancelled.

We must hear from you to complete your enrollment in <plan name>. If we do not hear from you within 30 days from the date of this notice, we will deny your enrollment request.

If you have any questions, please feel free to contact us at <phone number>. We are open <insert days/hours of operation and, if different, TTY hours of operation>. Thank you.

Exhibit 4d: Model Notice to Acknowledge Receipt of Completed PFFS Enrollment Election

Referenced in section(s): 40.4.1, 60.4

<Member # - if member # is SSN, only use last 4 digits>

<RxID>

<RxGroup>

<RxBin>

<RxPCN>

Dear <Name of Member>:

Thank you for enrolling in <Plan name>. Beginning <effective date>, you will begin to receive your healthcare from <plan name>. You must show your <Plan name> ID card to your doctor or hospital before you receive healthcare. You may no longer use your red, white and blue Medicare card to receive healthcare, because **Original Medicare will not pay for your healthcare while you are enrolled in this plan.** You should keep your Medicare card in a safe place.

<Plan name> allows you to go to any Medicare-approved doctor or hospital that is willing to give you care and accept our plan's terms of payment, as provided in your <insert either "Member handbook" or "Evidence of Coverage">. You should contact your doctor to ask whether he or she will accept our plan's payment terms. If your doctor does not accept our plan's payment terms, except for emergencies, you will not be able to obtain healthcare services from this doctor while you are enrolled in our plan. You may contact us at the number at the end of this letter for assistance locating another provider in your area.

You will need to pay your plan co-payments and co-insurance at the time you get health care services, as described in your member materials. If any doctor provides healthcare to you after learning about our plan's payment terms, they must bill us for services, and are not allowed to send the entire bill to you.

[Optional: This letter is proof of insurance that you should show during your doctor appointments until you get your member card from us.]

Medicare must review all enrollments. We will send your enrollment to Medicare, and they will do a final review. When Medicare finishes its review, we will send you a letter to confirm your enrollment with <plan name>. But you should not wait to get this letter before you begin showing your <plan name> ID card (or this letter) to your doctors on <effective date>. Also, do not cancel any Medigap/Medicare Select or supplemental insurance that you have until we send you the confirmation letter.

[MA plans without a premium – do not use the following two paragraphs: If you qualify for extra help with your Medicare prescription drug coverage costs, Medicare may cover all or some

<Contract #, Material ID, CMS Approval Date (if applicable)>

portion of your plan premium. We will bill you for the portion of your monthly premium that you owe. You can pay by mail or by Electronic Funds Transfer (EFT). <Optional – insert other billing interval options, if available>.

If you choose, you can have your monthly premium automatically deducted from your Social Security check. Generally you must stay with the option you choose for the rest of the year. If you are interested in this option, please contact us at <plan telephone number>. TTY users should call <TTY number>.]

You must have Medicare Part A (Hospital Insurance) and Part B (Medical Insurance) to be a member of <Plan>. If you do not have Medicare Parts A and B, we will bill you for any health care you receive from us, and neither Medicare nor <plan name> will pay for those services. Also, if you have end stage renal disease (ESRD), you may not be able to be a member of <plan name>, and we may have to send you a bill for any health care you've received.

Once enrolled in our plan, you can only make changes during certain times of the year. Between January and March, you have an opportunity to make one change, but you can only join a plan [plans with drug benefit: that has prescription drug coverage] [plans without a drug benefit: that does not have prescription drug coverage]. Between November 15th and December 31st each year, anyone can make any type of change. If you have more questions about this, please feel free to call our member services department at <phone number>.

If you have any questions, please call our Member Services Department at <phone number>. TTY users should call <TTY number>. We are open <insert days/hours of operation and, if different, TTY hours of operation>. Thank you.

Exhibit 5: Model Notice to Request Information

Referenced in section(s): 40.2.2

Dear <Name of Member>:

Thank you for applying with <plan name>. We need additional information from you. Please see the checked items below.

We cannot process your application until we get the following things from you:

_____ Proof of Medicare Part A and B coverage. *Please* send us a copy of your Medicare *ID* card as proof of your Medicare coverage.

_____ Other: _____

You will need to send this information to <plan name and address> by <date>. You can contact us by phone with this information by calling <toll-free number> <days and hours of operation>. TTY/TDD users should call <toll-free TTY number>. Or, you may also fax it to us at <fax number> or send it to us at <address>. If we do not receive this information by <date>, we will have to deny your request to enroll in our plan.

If you have any questions, please call our Member Services department at <phone number>. TTY users should call <TTY number>. We are open <insert days and hours of operation>.

Thank you.

Exhibit 6: Model Notice to Confirm Enrollment

Referenced in section(s): 40.40.2, 40.6

<Member # - if member # is SSN, only use last 4 digits>
<RxID>
<RxGroup>
<RxBin>
<RxPCN>

Dear <Name of Member>:

Medicare has approved your enrollment in <plan name> beginning <effective date>.

[MA-PD, if no low-income subsidy: The *monthly* premium for your plan is: <premium amount>.

[MA-PD, if low-income subsidy applicable: Because you qualify for extra help with your prescription drug costs, you will pay:

- *A monthly premium of* <insert premium less amount of premium assistance for which the individual is eligible>,
- <insert appropriate LIS deductible amount> for your yearly prescription drug plan deductible,
- <insert appropriate LIS copay amount> copayment when you fill a prescription.]

[Explain the charges for which the prospective member will be liable, e.g., coinsurance, fees or other amounts, and any amount that is attributable to the Medicare deductible and coinsurance]

[Insert the following if LEP applies: You are being charged an additional <LEP amount> each month because our records show that you didn't have creditable prescription drug coverage (as good as Medicare's) for <# of uncovered months> months. <plan name> can tell you how the late enrollment penalty is calculated and how we reviewed any creditable coverage evidence you submitted.]

[Insert the following ONLY if EGHP plan sponsor is paying the LEP amount on behalf of the individual: <Name of employer or union sponsoring the Plan> has agreed to pay <LEP amount>, the amount of your late enrollment penalty, on your behalf. If your coverage is terminated by you or <name of employer or union sponsoring the Plan>, or if <name of employer or union sponsoring the Plan> stops paying your late enrollment penalty, you will be responsible for paying that amount.

*[Insert the following if LEP applies: **If you disagree with your late enrollment penalty, you can ask Medicare to reconsider (review) its decision.** (For example, you might disagree with the*

*penalty if you were affected by Hurricane Katrina or if you got/get extra help from Medicare to pay for your prescription drug coverage in 2006 and/or 2007.) A notice explaining your right to a reconsideration of the late enrollment penalty is included with this letter. **You must submit your reconsideration request within 60 days of the date of this letter, or Medicare may not consider your request.***

Now that we have confirmed your enrollment, you may cancel any Medigap or supplemental insurance that you have. Please note that if this is the first time that you are a member of a Medicare Health Plan (Medicare Advantage or Medicare Cost plan), you may have a trial period during which you have certain rights to *leave* (disenroll from) <plan name> and purchase a Medigap policy. Please contact 1-800-MEDICARE (1-800-633-4227) for further information *about Medigap policies*. TTY users should call 1-877-486-2048, *24 hours a day/7days a week*. Please be sure to keep a copy of this letter for your records.

Please call our Member Services at <phone number> if you have any questions. TTY users should call <TTY number>. We are open <days and hours of operation>.

Exhibit 6a: Model Notice to Confirm Enrollment - Plan to Plan Within MA Organization

Referenced in section(s): 40.40.2, 40.6

Dear <Name of Member>:

Medicare has approved your enrollment in <plan name> beginning <effective date>.

*[MA-PD, if no low-income subsidy: The **monthly** premium for your plan is <premium amount>.*

[MA-PD, if low-income subsidy applicable: Because you qualify for extra help with your prescription drug costs, you will pay:

- *A **monthly premium of** <insert premium less amount of premium assistance for which the individual is eligible>,*
- *<insert appropriate LIS deductible amount> for your yearly prescription drug plan deductible,*
- *<insert appropriate LIS copay amount> copayment when you fill a prescription.]*

[Explain the charges for which the prospective member will be liable, e.g., coinsurance, fees or other amounts, and any amount that is attributable to the Medicare deductible and coinsurance]

[Insert the following if LEP applies: You are being charged an additional <LEP amount> each month because our records show that you didn't have creditable prescription drug coverage (as good as Medicare's) for <# of uncovered months> months. <plan name> can tell you how late enrollment penalties are calculated and how it reviewed any creditable coverage evidence you submitted.]

[Insert the following ONLY if EGHWP plan sponsor is paying the LEP amount on behalf of the individual: <Name of employer or union sponsoring the Plan> has agreed to pay <LEP amount>, the amount of your late enrollment penalty, on your behalf. If your coverage is terminated by you or <name of employer or union sponsoring the Plan>, or if <name of employer or union sponsoring the Plan> stops paying your late enrollment penalty, you will be responsible for paying that amount.

*[Insert the following if LEP applies: **If you disagree with your late enrollment penalty, you can ask Medicare to reconsider (review) its decision.** (For example, you might disagree with the penalty if you were affected by Hurricane Katrina or if you got/get extra help from Medicare to pay for your prescription drug coverage in 2006 and/or 2007.) A notice explaining your right to a reconsideration of the late enrollment penalty is included with this letter. **You must submit your reconsideration request within 60 days of the date of this letter, or Medicare may not consider your request.***

Please call our Member Services at <phone number> if you have any questions. TTY users should call <TTY number>. We are open <days and hours of operation>. Please be sure to keep a copy of this letter for your records.

Thank you.

Exhibit 6b: Model Notice for MA-PD Plans for Individuals Identified on CMS Records As Members of Employer *or Union* Group Receiving *the Retiree Drug Subsidy (RDS)*

Referenced in section(s): 40

Dear <Name of Member>:

Thank you for applying with <Plan Name>. To finalize your enrollment, we would like you to confirm that you want to be enrolled in <plan name>.

Medicare has informed us you belong to an employer group health plan whose drug coverage is as good as the Medicare prescription drug plan.

It is important that you consider your decision to enroll in our plan carefully, since enrollment in <plan name> could affect your employer *or union* health benefits. If you have not already done so, please contact your benefits administrator to discuss your decision to enroll in a Medicare prescription drug plan.

If you have already discussed this decision with your benefits administrator and have decided that you would still like to be a member of <plan name>, **please confirm this by calling our members services department at phone number**>. TTY users should call <TTY number>. Your enrollment will not be complete until you call and confirm this information. Your effective date will be <effective date>.

We must hear from you to enroll you in our plan - if we do not hear from you within 30 days from the date of this notice, we will not process your enrollment.

If you have any questions, please feel free to contact us at < number>. We are open <insert days/hours of operation and, if different, TTY hours of operation>.

Thank you.

Exhibit 6c: Model Notice to Confirm PFFS Enrollment

Referenced in section: 40.4.2

<Member # - if member # is SSN, use only last 4 digits>
<RxID>
<RxGroup>
<RxBin>
<RxPCN>

Dear <Name of Member>:

Thank you for enrolling in <Plan name>. Medicare has approved your enrollment in <plan name> beginning <effective date>. Beginning <effective date>, you will begin to receive your healthcare from <plan name>. You must show your <Plan name> ID card to your doctor or hospital before you receive healthcare. You may no longer use your red, white, and blue Medicare card to receive healthcare, because **Original Medicare will not pay for your healthcare while you are enrolled in this plan.** You should keep your Medicare card in a safe place. <Optional: This letter is proof of insurance that you should show during your doctor appointments until you get your member card from us.>

As we told you before, <Plan name> allows you to go to any Medicare-approved doctor or hospital that is willing to give you care and accept our plan's terms of payment, as provided in your <insert either "Member handbook" or "Evidence of Coverage">. You should contact your doctor to ask whether he or she will accept our plan's payment terms. If your doctor decides not to accept our plan's payment terms, except for emergencies, you will not be able to obtain healthcare services from this doctor while you are enrolled in this plan. You may contact us at the number at the end of this letter for assistance locating another provider in your area. If any doctor provides healthcare to you after learning about our plan's payment terms, they must bill us for services, and are not allowed to send the entire bill to you. You will need to pay your plan co-payments and co-insurance at the time you get health care services, as described in your member materials.

[MA-PD insert the following if no low-income subsidy: The monthly premium for your plan is <premium amount>.

[MA-PD, if low-income subsidy applicable: Because you qualify for extra help with your prescription drug costs, you will pay:

- A monthly premium of <insert premium less amount of premium assistance for which the individual is eligible>,
- <insert appropriate LIS deductible amount> for your yearly prescription drug plan deductible,
- <insert appropriate LIS copay amount> copayment when you fill a prescription.]

<Contract #, Material ID, CMS Approval Date (if applicable)>

[Explain the charges for which the prospective member will be liable, e.g., coinsurance, fees or other amounts, and any amount that is attributable to the Medicare deductible and coinsurance]

[Insert the following if LEP applies: You are being charged an additional <LEP amount> each month because our records show that you didn't have creditable prescription drug coverage (as good as Medicare's) for <# of uncovered months> months. <Plan name> can tell you how the late enrollment penalty is calculated and how we reviewed any creditable coverage evidence you submitted.]

[Insert the following ONLY if LEP applies and EGHP plan sponsor is paying the LEP amount on behalf of the individual: <Name of employer or union sponsoring the Plan> has agreed to pay <LEP amount>, the amount of your late enrollment penalty, on your behalf. If your coverage is terminated by you or <name of employer or union sponsoring the Plan>, or if <name of employer or union sponsoring the Plan> stops paying your late enrollment penalty, you will be responsible for paying that amount.

*[Insert the following if LEP applies: **If you disagree with your late enrollment penalty, you can ask Medicare to reconsider (review) its decision.** (For example, you might disagree with the penalty if you were affected by Hurricane Katrina or if you got/get extra help from Medicare to pay for your prescription drug coverage in 2006 and/or 2007.) A notice explaining your right to a reconsideration of the late enrollment penalty is included with this letter. **You must submit your reconsideration request within 60 days of the date of this letter, or Medicare may not consider your request.***

Now that we have confirmed your enrollment, you may cancel any Medigap or supplemental insurance that you have. Please note that if this is the first time that you are a member of a Medicare Health Plan (Medicare Advantage or Medicare Cost plan), you may have a trial period during which you have certain rights to leave (disenroll from) <plan name> and purchase a Medigap policy. Please contact 1-800-MEDICARE (1-800-633-4227) for further information about Medigap policies. TTY users should call 1-877-486-2048.

If you have any questions, please call our Member Services Department at <phone number>. TTY users should call <TTY number>. We are open <insert days/hours of operation and, if different, TTY hours of operation>. Please be sure to keep a copy of this letter for your records. Thank you.

Exhibit 7: Model Notice for MA Organization Denial of Enrollment

Referenced in section(s): 40.2.3

Dear <Name of Beneficiary>:

Thank you for applying with <MA Plan>. We cannot accept your request for enrollment in <MA Plan> because:

1. _____ You do not have Medicare Part A.
2. _____ You do not have Medicare Part B.
3. _____ You have End Stage Renal Disease (ESRD).
4. _____ Your permanent residence is outside our service or continuation area.
5. _____ You attempted to enroll outside of an enrollment period.
6. _____ We did not receive the information we requested from you within the timeframe listed in our request.
- [7. _____ [*MA-PD plans only*: You are not eligible to enroll in prescription drug coverage at this time]

If this information is correct, then we may send you a bill for any services you may have already received.

If item 5 is checked, remember that you can make changes only at certain times during the year. Between January and March, you have an opportunity to make *one* change, but you can only join a plan [*plans with drug benefit*: that has prescription drug coverage] [*plans without a drug benefit*: that does not have prescription drug coverage]. Between November 15th and December 31st *each* year anyone can make any type of change. If you have more questions about this, please feel free to call our member services department at <phone number>.

If you believe any of the checked items is wrong, or if you have any questions, please call us at <phone number>. TTY users should call <TTY number>. We are open <insert days and hours of operation>. Thank you.

Exhibit 8: Model Notice for CMS Rejection of Enrollment

Referenced in section(s): 40.4.2

Dear <Name of Beneficiary>:

Medicare has denied your enrollment in <MA Plan> due to the reason(s) checked below:

1. _____ You do not have Medicare Part A
2. _____ You do not have Medicare Part B
3. _____ You have End Stage Renal Disease (ESRD)
4. _____ You attempted to enroll outside of an enrollment period.
5. _____ You requested to enroll in a different plan for the same effective date, which canceled your application with <plan name>.

If this information is correct, we may send you a bill for any services you may have already received.

If item 4 is checked, remember that you can make changes only at certain times during the year. Between January and March, you have an opportunity to make *one* change, but you can only join a plan [*plans with drug benefit*: that has prescription drug coverage] [*plans without a drug benefit*: that does not have prescription drug coverage]. Between November 15th and December 31st *each* year, anyone can make any type of change. If you have questions about this, please feel free to call our Member Services department at <phone number>.

If you believe any of the checked items is wrong, or if you have any questions, please call us at <phone number>. TTY users should call <TTY number>. We are open <insert days and hours of operation>. Thank you.

Exhibit 9: Model Notice to Send Out Disenrollment Form

Referenced in section(s): 50.1

Dear <Name of Member>:

Attached is the disenrollment form you requested. You can make plan changes, *such as requesting disenrollment*, only at certain times during the year. *Between November 15th and December 31st each year, anyone can make any type of change. Between January 1st and March 31st each year, you can make a change as long as you do not change your prescription drug coverage..*

Please read the important information below regarding these changes.

FILL OUT THE ATTACHED FORM IF:

- *You want to change to the Original Medicare plan*

[MA-PD plans use the following:

DO NOT FILL OUT THE ATTACHED FORM IF:

- You are planning to enroll, or have enrolled, in another Medicare Advantage or other Medicare Health Plan. Enrolling in another Medicare plan will automatically disenroll you from our plan.

OR

- You are enrolling in a Medicare prescription drug plan. Enrolling in such a plan will automatically disenroll you from our plan to Original Medicare.]

[MA-only plans use the following in place of the above paragraph: DO NOT FILL OUT THE ATTACHED FORM IF you are planning to enroll, or have enrolled, in another Medicare Advantage or other Medicare Health Plan.]

[MSA plans insert the following: Please note that if you disenroll before the end of the year, you (or your estate) will be liable to <MA organization> for a portion of the MSA deposit made by the MSA Plan at the time you enrolled. The amount you owe is based on the number of months remaining in the year following your disenrollment date.]

Until your disenrollment date, you must keep using <plan name> doctors. To avoid any unexpected expenses, you may want to contact us to make sure you've been disenrolled before you seek medical services outside of <plan name>'s network.

<Contract #, Material ID, CMS Approval Date (if applicable)>

If you *want to disenroll to the Original Medicare plan*, you may fill out the attached form, sign it, and send it back to us in the enclosed envelope. You can also fax the form with a readable signature and date to us at <fax number>. You can call 1-800-MEDICARE (1-800-633-4227) *for information about Medicare plans available in your area. TTY users should call 1-877-486-2048, 24 hours a day/7days a week.*

A NOTE ABOUT MEDIGAP RIGHTS

If you will be changing to the Original Medicare Plan you might have a special temporary right to buy a Medigap policy, also known as Medicare supplement insurance, even if you have health problems. For example, if you are age 65 or older and you enrolled in Medicare Part B within the past 6 months or if you move out of the service area, you may have this special right. Federal law requires the protections described above. **Your State may have laws that provide more Medigap protections.** If you have questions about Medigap or any special temporary rights you may have, you should contact your State Health Insurance Program <insert name of SHIP> at <SHIP phone number> to get more information about Medigap policies in your State. Call 1-800-MEDICARE (1-800-633-4227) for more information about trial periods. TTY users should call 1-877-486-2048, *24 hours a day/7days a week.*

If you need any help, please call us at <phone number>. *TTY users should call <TTY number>.* We are open <insert days and hours of operation>.

Thank you.

Attachment

Exhibit 10: Model Disenrollment Form

Referenced in section: 10

If you request disenrollment, you must continue to receive all medical care from <plan name> until the effective date of disenrollment. Contact us to verify your disenrollment before you seek medical services outside of <plan name>'s network. We will notify you of your effective date after we have received this form from you.

Last name:	First Name:	Middle Initial	<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Miss. <input type="checkbox"/> Ms.
Medicare #			
Birth Date:	Sex: <input type="checkbox"/> M <input type="checkbox"/> F	Home Phone Number: ()	

Please carefully read and complete the following information before signing and dating this disenrollment form:

On the effective date of enrollment in another Medicare Advantage or Medicare Prescription Drug Plan, I understand Medicare will automatically cancel my current membership in <MA plan name>. I understand that I might not be able to enroll in another plan at this time. I also understand that if I am disenrolling from my Medicare prescription drug coverage and do not enroll in such coverage at this time, I may have to pay a higher premium for this coverage in the future.

Your Signature*: _____ **Date:** _____

*Or the signature of the person authorized to act on behalf of the individual under the laws of the State where the individual resides. If signed by an authorized individual (as described above), this signature certifies that: 1) this person is authorized under State law to complete this disenrollment and 2) documentation of this authority is available upon request by <plan name> *or* by Medicare.

<p>If you are the authorized representative, you must provide the following information:</p> <p>Name : _____</p> <p>Address: _____</p> <p>Phone Number: (____) ____ - ____</p> <p>Relationship to Enrollee _____</p>
--

Exhibit 11: Model Notice to Acknowledge Receipt of Voluntary Disenrollment Request from Member

Referenced in section(s): 50.1, *50.1.4*, 50.4.1

Dear <Name of Beneficiary>:

We received your request to disenroll from <plan name>. You will be disenrolled starting <effective date.> Beginning <effective date>, <plan name> will not cover any health care you receive. Beginning <effective date>, you can see any doctor through the Original Medicare Plan, unless you have enrolled in another Medicare Advantage plan.

[MA-PD plans insert: When coverage from <plan name> ends after <date>, your Medicare prescription drug coverage ends too. In order to have new health care coverage and prescription drug coverage after <date> or to buy a Medigap policy while you still have a guaranteed right to buy one, you need to take action, as described in this letter. For example, if you are returning to Original Medicare coverage, to receive Medicare prescription drug coverage you must join a Medicare prescription drug plan. Please remember, if you disenroll and do not enroll in another Medicare Advantage Plan with prescription drug coverage (or Medicare Prescription Drug Plan) or if you do not obtain other creditable coverage as good as Medicare, you may have to pay a late enrollment penalty if you enroll in Medicare prescription drug coverage in the future. If you don't take any action, you will be covered by the Original Medicare Plan beginning <effective date>.]

[MA-only plans insert: Disenrolling from <plan name> does not affect any prescription drug coverage you may have. In order to have new health care coverage after <date> or to buy a Medigap policy while you still have a guaranteed right to buy one, you need to take action. If you don't take any action, you will be covered by the Original Medicare Plan beginning <effective date>.]

[MSA plans insert the following: Please note that if you disenroll before the end of the year, you (or your estate) will be liable to <MA organization> for a portion of the MSA deposit made by the MSA Plan at the time you enrolled. The amount you owe is based on the number of months remaining in the year following your disenrollment date.]

Please be patient. It will take a few weeks for us to process your disenrollment and update Medicare's records. If your doctors need to send Medicare claims, you may want to tell them that you just disenrolled from <plan name> and there may be a short delay in updating your records.

A NOTE ABOUT MEDIGAP RIGHTS

If you will be changing to the Original Medicare Plan you might have a special temporary right to buy a Medigap policy, also known as Medicare supplement insurance, even if you have health

problems. For example, if you are age 65 or older and you enrolled in Medicare Part B within the past 6 months or if you move out of the service area, you may have this special right. Federal law requires the protections described above. **Your State may have laws that provide more Medigap protections.** If you have questions about Medigap or any special temporary rights you may have, you should contact your State Health Insurance Program <insert name of SHIP> at <SHIP phone number> to get more information about Medigap policies in your State. Call 1-800-MEDICARE (1-800-633-4227) for more information about trial periods. TTY users should call 1-877-486-2048, *24 hours a day/7days a week.*

If you need any help, please call us at <phone number>. TTY users should call <TTY number>. We are open <insert days and hours of operation>. Thank you.

Exhibit 12 Model Notice to Confirm Voluntary Disenrollment Identified Through Transaction Reply Report

Referenced in section(s): 50.1, 50.4.1, 60.3.2

Dear <Name of Beneficiary>:

Medicare has confirmed your disenrollment from <MA Plan>. Beginning <effective date,> <plan name> will not cover any health care you receive. If your doctor needs to send Medicare claims, you may want to tell them that there may be a short delay in updating your records since you just disenrolled from <plan name>.

[MSA plans insert the following: Please note that if you disenroll before the end of the year, you (or your estate) will be liable to <MA organization> for a portion of the MSA deposit made by the MSA Plan at the time you enrolled. The amount you owe is based on the number of months remaining in the year following your disenrollment date.]

A NOTE ABOUT MEDIGAP RIGHTS

If you will be changing to the Original Medicare Plan you might have a special temporary right to buy a Medigap policy, also known as Medicare supplement insurance, even if you have health problems. For example, if you are age 65 or older and you enrolled in Medicare Part B within the past 6 months or if you move out of the service area, you may have this special right. Federal law requires the protections described above. **Your State may have laws that provide more Medigap protections.** If you have questions about Medigap or any special temporary rights you may have, you should contact your State Health Insurance Program <insert name of SHIP> at <SHIP phone number> to get more information about Medigap policies in your State. Call 1-800-MEDICARE (1-800-633-4227) for more information about trial periods. TTY users should call 1-877-486-2048, *24 hours a day/7days a week.*

If you think you did not disenroll from <MA Plan>, and you want to keep being a member of our plan, please call us right away at <phone number> or, for the hearing impaired, at <TTY number> so we can make sure you stay a member of our plan. We are open <insert days and hours of operation>. Thank you.

Exhibit 12a: Model Notice for MA Organization Denial of Disenrollment

Referenced in section: *50.1.4*

Dear <Name of Beneficiary>:

We recently received your request to disenroll from <plan name>. We cannot accept your request for disenrollment because:

1. _____ You have attempted to make a change outside of an enrollment period.
2. _____ You have already made a change to how you get Medicare (see discussion on limits to changes below.)

[MA-PD plans only:

3. _____ *In order to disenroll from your current plan during the Open Enrollment Period (January through March) you must enroll in a Medicare prescription drug plan or enroll in another Medicare health plan that includes prescription drugs.]*

There are limits to when and how often you can change the way you get Medicare.

- **From January 1 until March 31**, anyone with Medicare (including members of <plan Name>) has one opportunity to make a change in the way they get Medicare.
- **From November 15 to December 31**, anyone with Medicare can switch from one way of getting Medicare to another, including when you can enroll in Medicare prescription drug coverage.

Generally, you may not make any other changes during the year unless you meet certain special exceptions, such as if you move out of the plan's service area or if you have Medicaid coverage.

If you believe any of the items we checked is wrong, or if you have any questions, please call us at <phone number>. TTY users should call <TTY number>. We are open <insert days and hours of operation>. Thank you.

Exhibit 12b: Model Notice for CMS Rejection of Disenrollment

Referenced in section: 50.1

Dear <Name of Beneficiary>:

Medicare has denied your disenrollment in <plan name> due to the reason(s) checked below:

1. _____ You have attempted to make a change outside of an enrollment period.
2. _____ You have already made a change to how you get Medicare (see discussion on limits to changes below.)

There are limits to when and how often you can change the way you get Medicare.

- **From January 1 until March 31**, anyone with Medicare (including members of <plan Name>) has one opportunity to make a change in the way they get Medicare.
- **From November 15 through December 31**, anyone with Medicare can switch from one way of getting Medicare to another for the following year, including when you can enroll in Medicare prescription drug coverage.

Generally, you may not make any other changes during the year unless you meet certain special exceptions, such as if you move out of the plan's service area or if you have Medicaid coverage.

If you believe any of the items we checked is wrong, or if you have any questions, please call us at <phone number>. TTY users should call <TTY number>. We are open <insert days and hours of operation>. Thank you.

Exhibit 13: Model Notice of Disenrollment Due to Death

Referenced in section(s): 50.2.3, 50.4.2, 60.3.1

To the Estate of <Member Name> (or To <Member Name>):

Medicare has told us of the death of <Member's Name>. Please accept our condolences.

<Member's name>'s coverage in <plan name> has ended as of <effective date>. If membership premiums were paid for any month after <effective date>, we will issue a refund to the Estate within 30 days of this letter.

[MSA plans insert the following: Please note that the Estate will be liable to <MA organization> for a portion of the MSA deposit made by the MSA Plan at the time of enrollment. The amount owed is based on the number of months remaining in the year following the disenrollment date.]

If this information is wrong, please call us at <phone number>. TTY users should call <TTY number>. We are open <insert days and hours of operation>.

Thank you.

Exhibit 14: Model Notice of Disenrollment Due to Loss of Medicare Part A and/or Part B

Referenced in section(s): 50.2.2, 50.4.2, 60.3.1

Dear <Name of Member>:

Medicare has told us that you no longer have Medicare Part <insert A and/or B, as appropriate>. You need to have coverage under both Medicare Part A and Part B to remain enrolled in a Medicare Advantage plan. Therefore, your membership in <plan name> ended on <date>. If this information is wrong, and you want to stay a member of our plan, please contact us. Also, if you have not already done so, please contact your local Social Security office to have their records corrected.

[*MA-PD plans insert:* When coverage from <plan name> ended on <date>, your Medicare prescription drug coverage ended too. If you still have either Medicare Part A or Medicare Part B you are eligible for Medicare prescription drug coverage. To receive Medicare prescription drug coverage, you must enroll in a Medicare prescription drug plan. If you are eligible to join a Medicare prescription drug plan but do not join, and you do not have other drug coverage that is at least as good as Medicare's, you may have to pay a *late enrollment* penalty if you join later. This means you pay a higher premium for as long as you have Medicare prescription drug coverage.]

If you have any questions, please call us at <phone number>. TTY users should call <TTY number>. We are open <insert days and hours of operation>. Thank you.

Exhibit 15: Model Notice to Offer Beneficiary Services, Pending Correction of Erroneous Death Status

Referenced in section(s): 60.3, 60.3.1

Dear< Name of Member>:

Medicare incorrectly shows you as deceased.

If you have not already done so, please go to your local Social Security Office and ask them to correct your records. Please send us <plan name> written proof at <address> after you do this. When we receive this proof, we will tell Medicare to correct its records.

In the meantime, you should keep using your <plan name> primary care physician for your health care. **(Note: If PCP not applicable, omit this sentence. MA plans may *insert* “physicians” or “doctors” or “providers” instead of “primary care physician,” if that is more appropriate.)** If you have any questions or need help, please call us at < phone number>. TTY users should call <TTY number>. We are open <insert days and hours of operation>.

Thank you for your continued membership in <plan name>.

Exhibit 16: Model Notice to Offer Beneficiary Services, Pending Correction of Erroneous Medicare Part A and/or Part B Termination

Referenced in section(s): 60.3, 60.3.1

Dear < Name of Member>:

On <Date of request> you told us that your enrollment in Medicare was ended in error and that you wanted to stay a member of <plan name>. To do this, please complete the following steps:

1. Contact the Social Security Administration (SSA) at 1-800-772-1213 between 7AM to 7PM, Monday to Friday, to have them fix their records TTY users should call 1-800-325-0778.
2. Ask SSA to give you a letter that says they have fixed your records.
3. Send the letter from SSA to us at: <address of MA Plan> in the enclosed postage-paid envelope. You may also fax this information to us at <fax number>. When we receive this letter, we will tell the Medicare to correct its records.

In the meantime, you should keep using your <plan name> primary care physician for your health care. **(Note: If PCP not applicable, omit this sentence. MA plans may *insert* “physicians” or “doctors” or “providers” instead of “primary care physician,” if that is more appropriate.)** If we find out that you do not have Medicare Part <insert “A” and/or “B” as appropriate>, you will have to pay for any service you received after the disenrollment date.

If you have any questions or need help, please call us at <phone number>. TTY users should call <TTY number>. We are open <insert days and hours of operation>.

Thank you for your continued membership in <MA Plan>.

Exhibit 17: Model Notice to Offer Reinstatement of Beneficiary Services, Pending Correction of Disenrollment Status Due to Enrolling in Another MA Organization

Referenced in section(s): 60.3, 60.3.2

Dear <Name of Member>:

Thank you for letting us know you want to remain a member of <plan name> after we sent you a letter that said we had disenrolled you from our plan.

Based on what you told us, we understand that you canceled your membership in the other plan and want to stay a member of <plan name>. Please send us a letter by <insert date: 30-days from date of disenrollment notice>, that says you want to stay a member of <plan name>. Your letter must also say whether or not you got services from non- <plan name> doctors since <original effective date of disenrollment>. If you did not get any services from non- <plan name> doctors since <original effective date of disenrollment>, we will fix our records after we receive your letter.

[If PCP not applicable, omit the following sentence. The term “physicians” or “doctors” or “providers” instead of “primary care physician,” if that is more appropriate: In the meantime, you should keep seeing your <plan name> primary care physician for your health care.

If you have any questions or need help, please call us at <phone number>. TTY users should call <TTY number>. We are open <insert days and hours of operation>.

Thank you for your continued membership in <plan name>.

Exhibit 18: Model Notice to Close Out Request for Reinstatement

Referenced in section(s): 60.3.2

Dear <Name of Beneficiary>:

We cannot process your request to be reinstated in <plan name> because we have not received your letter asking for reinstatement. As discussed in our letter of <date of letter> you must send us a letter by <date placed on notice in Exhibit 17>.

The <effective date> date of disenrollment remains in effect. If you have used <plan name> services after this disenrollment date, we will have to bill you for any services you received.

If you have any questions, please call <phone number>. TTY users should call <TTY number>. We are open <insert days and hours of operation>.

Thank you.

Exhibit 19: Model Notice on Failure to Pay Plan Premiums - Advance Notification of Disenrollment or Reduction in Coverage

Referenced in section: 50.3.1

Dear <Name of Member>:

Our records show that we have not received payment for your plan premium as of <premium due date>.

[MA organizations who will disenroll all members (and not use the downgrade option) use the following sentences: If we do not receive payment by <date grace period expires>, we will have to disenroll you from <plan name>, effective <disenrollment date>. After <disenrollment date> you will be covered by the Original Medicare Plan instead of <plan name>.]

[Note: As required in section 50.3.1, the MA organization must state whether full payment of premiums is due to prevent disenrollment.]

[MA organizations who will downgrade the membership for all members use the following sentences: If we do not receive payment by <date grace period expires>, we will make some changes to your membership in <plan name> that will reduce the amount of health care coverage you have in <plan name>. This means that (describe lower level of benefits, e.g., routine dental care will not be covered) beginning <date>.]

[Note: As required in section 50.3.1, the MA organization must state whether full payment of premiums is due to prevent the downgrade.]

[Insert if applicable in state where member resides: If you have been receiving any form of medical assistance (Medicaid) from the State (including paying your premiums, deductibles, or coinsurance), you should check with the State Medicaid Agency to find out if they have been paying for, or have stopped paying for, your plan premium. If you are no longer eligible for assistance from Medicaid, you may have a special temporary right to buy a Medigap policy if you voluntarily disenroll from our plan. If you have questions *about Medigap policies*, you should contact your State Health Insurance Program, <name of SHIP>, at <SHIP phone number(s)> to get more information.]

If you wish to disenroll from <plan name> and change to the Original Medicare Plan now, you should do one of these *two* things:

1. Send us a written request at <MA Plan address>.
2. Call 1-800-MEDICARE(1-800-633-4227). TTY users should call 1-877-486-2048, *24 hours a day/7days a week*.

Remember, there are limits to when and how often you can change the way you get Medicare:

- **From January 1 until March 31**, anyone with Medicare (including members of <plan name>) has one opportunity to make a change in the way they get Medicare.
- **From November 15 through December 31**, anyone with Medicare can switch from one way of getting Medicare to another for the following year, including when you can enroll in Medicare prescription drug coverage.

Generally, you will only be able to make changes during these two times, unless you meet certain special exceptions, such as if you move out of the plan's service area or if you have Medicaid coverage.

If you think we have made a mistake, or if you have any questions, please call us at <phone number> between <hours and days of operation>. TTY users should call <TTY number>.

Thank you.

Exhibit 20: Model Notice on Failure to Pay Plan Premiums - Notification of Involuntary Disenrollment

Referenced in section(s): 50.3.1

Dear <Name of Member>:

On <date> we sent you a letter that said your plan premium was overdue. The letter said that if we did not get payment from you, we would disenroll you from <plan name>. Since we did not receive that payment, we asked Medicare to disenroll you from <plan name> beginning <date>.

Due to your disenrollment from <plan name>, you will be covered by the Original Medicare Plan, beginning <effective date>.

You have the right to ask us to reconsider this decision through the grievance procedure written in your [insert “Member Handbook” or “Evidence of Coverage”, as appropriate].

[MA PFFS do not include this paragraph: Please note that until <disenrollment effective date>, you must keep using <plan name> doctors except for emergency or urgently needed care or out-of-area dialysis services. After that date, you can see any doctor through the Original Medicare Plan, unless you join Medicare Advantage or another Medicare health plan.]

Once in Original Medicare, there are limits to when and how often you can change the way you get Medicare:

- **From January 1 until March 31**, anyone with Medicare (including members of <Plan Name>) has one opportunity to make a change in the way they get Medicare.
- **From November 15 through December 31**, anyone with Medicare can switch from one way of getting Medicare to another for the following year, including when you can enroll in Medicare prescription drug coverage.

Generally, you will only be able to make changes during these two times, unless you meet certain special exceptions, such as if you move out of the plan’s service area or if you have Medicaid coverage.

[MA-PD plans insert: Please remember, if you do not enroll in another Medicare Advantage Plan with prescription drug coverage (or a Medicare Prescription Drug Plan) or if you do not obtain other creditable coverage as good as Medicare, you may have to pay a *late enrollment* penalty if you enroll in Medicare prescription drug coverage in the future.]

If you think that we have made a mistake or if you have any questions, please call us at <phone number> between <hours and days of operation>. TTY users should call <TTY number>.

Thank you.

Exhibit 21: Model Notice on Failure to Pay Plan Premiums - Confirmation of Involuntary Disenrollment

Referenced in section(s): 50.3.1

Dear <Name of Beneficiary>:

Medicare has confirmed your disenrollment from <plan name> due to non-payment of plan premium. Your disenrollment begins <effective date>.

Due to your disenrollment from <plan name>, you are now enrolled in the Original Medicare plan. As mentioned in our previous letter to you, there are limits to when and how often you can change the way you get Medicare:

- **From January 1 until March 31**, anyone with Medicare (including members of <Plan Name>) has one opportunity to make a change in the way they get Medicare.
- **From November 15 through December 31**, anyone with Medicare can switch from one way of getting Medicare to another for the following year, including when you can enroll in Medicare prescription drug coverage.

Generally, you will only be able to make changes during these two times, unless you meet certain special exceptions, such as if you move out of the plan's service area or if you have Medicaid coverage.

You have the right to ask us to reconsider your disenrollment through the grievance procedure written in your <insert "Member Handbook" or "Evidence of Coverage", as appropriate>.

[*MA-PD plans insert:* Please remember, if you disenroll and do not enroll in another Medicare Advantage Plan with prescription drug coverage (or Medicare Prescription Drug Plan) or if you do not obtain other creditable coverage as good as Medicare, you may have to pay a *late enrollment* penalty if you enroll in Medicare prescription drug coverage in the future.]

If you have any questions, or need help, please call us at <phone number> between <hours and days of operation>. TTY users should call <TTY number>.

Thank you.

Exhibit 22: Model Notice on Failure to Pay Plan Premiums - Notice of Reduction in Coverage Within Plan

Referenced in section(s): 50.3.1

Dear <Name of Member>:

We recently sent you a letter dated <date> that said your plan premium was overdue. The letter said that if we did not get payment from you, we would have to make some changes in your membership in <plan name>. Our records show that we did not get payment from you as of <date>. Therefore, we have reduced your coverage in <plan name>, beginning <effective date>.

<Explain in simple terms lower level of benefits, e.g., routine dental care will not be covered>

You have the right to ask us to reconsider this change through the grievance procedure written in your <insert "Member Handbook" or "Evidence of Coverage", as appropriate>.

If you want to disenroll from <plan name> and return to the Original Medicare Plan now, you should do one of these *two* things:

1. Send us your written request to <plan name> or fax it to us at <fax number>.
2. Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048, *24 hours a day/7days a week*.

Remember, there are limits to when and how often you can change the way you get Medicare:

- **From January 1 until March 31**, anyone with Medicare (including members of <Plan Name>) has one opportunity to make a change in the way they get Medicare.
- **From November 15 through December 31**, anyone with Medicare can switch from one way of getting Medicare to another for the following year, including when you can enroll in Medicare prescription drug coverage.

Generally, you will only be able to make changes during these two times, unless you meet certain special exceptions, such as if you move out of the plan's service area or if you have Medicaid coverage.

If you think we have made a mistake, or if you have any questions, please call us at <phone number> between <hours and days of operation>. TTY users should call <TTY number>.

Thank you.

Exhibit 23: Model Notices for Closing Enrollment

Referenced in section(s): 30.8.1

Model A: Closing Enrollment for Partial Month(s)

[Insert name of MA organization] PUBLIC NOTICE

As of <date> <MA organization> will no longer offer continuous open enrollment under its Medicare Advantage contract with the Centers for Medicare & Medicaid Services for <plan name> in <service area>.

Instead, <MA organization> will offer open enrollment for all eligible individuals from the <insert date> to the <insert date> of each month.

<MA organization> will continue to accept enrollments during an entire month into <plan name> from eligible individuals who are in a Special Election Period or an Initial Coverage Election Period.

Also, <MA organization> will continue to accept enrollments into <plan name> from all eligible individuals during the Annual Election Period from November 15 to December 31.

Current members of <plan name> are not affected by this change. For information regarding this notice, call <MA organization> at <phone number> between <hours and days of operation>. TTY users should call [insert TTY/ number].

Model B: Closing Enrollment for Whole Month(s)

<MA organization> PUBLIC NOTICE

As of <date> <MA organization> will no longer offer open enrollment under its Medicare Advantage contract with the Centers for Medicare & Medicaid Services (CMS) for <plan name> in <service area>.

However, <MA organization> will continue to accept enrollments into <plan name> from eligible individuals who are in a Special Election Period or an Initial Coverage Election Period.

Also, <MA organization> will continue to accept enrollments into <plan name> from all eligible individuals during the Annual Election Period from November 15 to December 31.

Current members of <plan name> are not affected by this change. For information regarding this notice, call <MA organization> at <phone number> between <hours and days of operation>. TTY users should call <TTY/ number>.

Model C: Closing Enrollment for Capacity Reasons

<Contract #, Material ID, CMS Approval Date (if applicable)>

<MA organization> PUBLIC NOTICE

As of <date>, <MA organization> will no longer accept enrollment under its Medicare Advantage contract with the Centers for Medicare & Medicaid Services (CMS) for <plan name> in <insert service area>.

The <plan name> has been approved for a capacity limit by CMS. A capacity limit allows a Medicare Advantage Organization to limit enrollment in a plan once a specific number of people join the plan. This is based primarily on the accessibility and availability of providers to provide services to members of the plan.

Current members of <plan name> are not affected by this change. Also, individuals who are enrolled in other <MA organization> plans may still be able to enroll in <plan name> when they become eligible for Medicare.

For information regarding this notice, call <MA organization> at <phone number> between *<hours and days of operation>*. TTY users should call <TTY number>.

Exhibit 24: Model Notice for Medigap Rights Per Special Election Period

Referenced in section(s): 50.1 and 50.2

Dear <Name of Beneficiary>:

This is to confirm that you disenrolled from <plan name> effective <date> and returned to the Original Medicare Plan because of the special circumstances indicated below:

_____ You permanently moved.

_____ You receive assistance from the Medicaid program.

_____ You wanted to use certain Medigap protections while in your trial period.

_____ Other circumstances defined as eligible for a Special Election Period.

Please save this letter as proof of your Medigap rights.

If you have any questions, please call us at <phone number>. TTY users should call <TTY number>. We are open <insert days and hours of operation>.

Thank you.

Exhibit 25: Acknowledgement of Request to Cancel Enrollment

Referenced in section(s): 60.2.1

Dear <name of *applicant*>:

As requested, we have processed your request to cancel your enrollment with <plan name>.

Please be patient. It may take up to 45 days for Medicare to update your records. If you are in the Original Medicare Plan, you may want to tell your doctors that if they need to submit Medicare claims, there may be a short delay in updating your records.

If you were enrolled in another Medicare Advantage Plan before enrolling with <plan name>, you may appear on their records as being disenrolled. If your intent is NOT to disenroll with that plan, you will need to notify them that you enrolled in <plan name> and have cancelled your enrollment. They may request a copy of this letter for their records.

Please remember that if you do not maintain Medicare prescription drug coverage or other creditable prescription drug coverage, you may have to pay a *late enrollment* penalty if you enroll in Medicare prescription drug coverage in the future.

If you have any questions, please contact <plan name> customer service at <number>, Monday through Friday between the hours of <hours>. TTY users should call <TTY number>.

Thank you.

Exhibit 26: Acknowledgement of Request to Cancel Disenrollment

Referenced in section(s): 60.2.2

Dear <name of member>:

As requested, we have processed your request to cancel your disenrollment with <plan name>. *[If PCP not applicable, omit following sentence. Terms such as “physicians” or “doctors” or “providers” may be used instead of “primary care physician: You should keep using your <plan name> primary care physician for your health care.]* Thank you for your continued membership in <plan name>.

If you have also submitted an enrollment to another Medicare Health Plan (Medicare Advantage Plan or Medicare Cost Plan) or Medicare Prescription Drug Plan, you may appear on their records as being enrolled. If your intent is NOT to enroll with that plan and stay enrolled in <plan name>, you will need to notify them that you are canceling enrollment in their plan before that enrollment takes effect. They may request you write them a letter for their records.

If you have any questions, please contact <plan name> customer service at <phone number>, Monday through Friday between the hours of <hours>. TTY users should call <TTY number>.

Thank you.

Exhibit 27: MA Model Notice to Inform *Full-Benefit* Dual Eligible Member of Auto-Enrollment in MA-PD *Plan*

Referenced in section: 40.1.6

[Member # - if member # is SSN, only use last 4 digits]

[RxID]

[RxGroup]

[RxBin]

[RxPCN]

Dear <insert member name>

Our records show that you have Medicare and Medicaid. [*Insert for those with retroactive effective dates: To make sure that you don't lose a day of your drug coverage,*] [*Insert for those with prospective effective dates: To make sure you have prescription drug coverage,*] Medicare is enrolling you in our <MA-PD plan name> that offers Medicare prescription drug coverage, beginning <effective date>, *unless you tell us you don't want to join our plan.*

***Important:** If you (or anyone on your behalf) have filled a prescription since <auto-enrollment effective date>, you may be able to get back some of these costs. Please contact us at <insert #> or visit <Plan website> on the web for more information.*

Starting <effective date>, all of your health care, except emergency or urgently needed care, **or out-of-area dialysis services**, must be given or arranged by a <plan name> doctor(s). You will need to pay our copayments when you get health care. [*Optional: This letter is proof of insurance that you should show during your doctor appointments.*]

With the addition of this Medicare prescription drug coverage, you will pay:

- \$0 for your yearly prescription drug plan deductible,
- <insert appropriate LIS copay amount> copayments when you fill a prescription *covered by the plan.*

[*Include cost of premium less low-income premium subsidy amount, brief description of benefit, emergency room, durable medical equipment, inpatient care, annual out of pocket maximum on coinsurance services, etc. if changes. If no changes, simply state that there will be no changes.*]

[*MA PPO and PFFS plans do not use the following paragraph:* Please remember that, except for emergency or out-of-area urgent care, or out-of-area dialysis services, if you get health care from a non-<new plan name> doctor without prior authorization, you will have to pay for the health care yourself.]

[MA PPO plans use the following paragraph: Beginning <effective date>, you will receive your health care as provided in your <insert either "Member handbook" or "Evidence of

Coverage’’. You will need to pay your plan co-payments and co-insurance at the time you get health care services, as provided in your member materials.]

[MA PFFS plans use the following paragraph: Beginning <effective date>, you will begin to receive your healthcare from <new plan name>, which allows you to go to any Medicare-approved doctor or hospital that is willing to give you care and accept our plan’s terms of payment, as provided in your <insert either “Member handbook” or “Evidence of Coverage”>. You will need to pay your plan co-payments and co-insurance at the time you get health care services, as provided in your member materials.

Remember, Medicaid *will not pay for most* prescription drugs. Federal law will not let Medicaid continue the drug coverage you currently get. Some state Medicaid programs may cover *a few* prescriptions that won’t be covered under Medicare prescription drug coverage. This coverage alone won’t be at least as good as Medicare prescription drug coverage. To continue to have prescription drug coverage, you must be enrolled in a Medicare prescription drug plan, like *<new plan name>*.

If you have other types of prescription drug coverage, or if your employer or union pays for your enrollment in <name of MA-only plan>, read all the materials you get from your insurer or plan provider. Examples of other types of prescription drug coverage include coverage from an employer/union, TRICARE, the Department of Veteran’s Affairs, or a Medigap policy. Talk to your benefits administrator, insurer, or plan provider. Ask them if enrolling in a Medicare drug plan would hurt your other benefits.

You *aren’t* required to be in our Medicare prescription drug plan and have the option to stay in *<name of MA-only plan>*. *You can also decide to join a different Medicare prescription drug plan (call 1-800-MEDICARE for help in learning how)*. If you decide not to be enrolled and don’t have other drug coverage at least as good as Medicare’s *(also referred to as “creditable prescription drug coverage”)*, you may have to pay *a penalty to join* later. If you don’t want Medicare prescription drug coverage, call our Member Services Department at *<phone number>*. TTY users should call *<TTY number>* within 10 days of the date on this letter. We are open *<insert days/hours of operation and, if different, TTY hours of operation>*. You will need to tell us you don’t want Medicare prescription drug coverage.

Thank you.

Exhibit 27a: MA-PFFS Model Notice to Inform Full-Benefit Dual Eligible Member of Auto-Enrollment in PDP

Referenced in section: 40.1.6

[Member # - if member # is SSN, only use last 4 digits]

[RxID]

[RxGroup]

[RxBin]

[RxPCN]

Dear <insert member name>

Our records show that you have Medicare and Medicaid. <Insert for those with retroactive effective dates: To make sure that you don't lose a day of your drug coverage,> <Insert for those with prospective effective dates: To make sure you have prescription drug coverage,> Medicare is enrolling you in our <PDP name> that offers Medicare prescription drug coverage, beginning <effective date>, unless you tell us you don't want to join our plan.

Important: If you (or anyone on your behalf) have filled a prescription since <auto-enrollment effective date>, you may be able to get back some of these costs. Please contact us at <insert #> or visit <Plan website> on the web for more information.

Starting <effective date>, all of your health care, will continue to be covered under your <current MA-only plan name> and your pharmacy coverage will be provided through our <PDP name>. Your medical benefits and member copayments under <current MA-only plan> will not change. **[Optional:** You will be sent a pharmacy card along with more detailed information about your pharmacy coverage in the next several days. Until you receive your pharmacy card, you can use this letter to purchase your prescriptions. This letter includes the information needed to obtain your prescriptions.]

With the addition of this Medicare prescription drug coverage, you will pay:

- \$0 for your yearly prescription drug plan deductible,
- <insert appropriate LIS copay amount> copayments when you fill a prescription covered by the plan.

There will be no changes to your premium, medical benefits or member copayments under the <current MA-only plan name>.

Remember, Medicaid will not pay for most prescription drugs. Federal law will not let Medicaid continue the drug coverage you currently get. Some state Medicaid programs may cover a few prescriptions that won't be covered under Medicare prescription drug coverage. This coverage alone won't be at least as good as Medicare prescription drug coverage. To continue to have

prescription drug coverage, you must be enrolled in a Medicare prescription drug plan, like [PDP name].

If you have other types of prescription drug coverage, or if your employer or union pays for your enrollment in <current MA-only plan name>, read all the materials you get from your insurer or plan provider. Examples of other types of prescription drug coverage include coverage from an employer or union, TRICARE, the Department of Veteran’s Affairs, or a Medigap policy. Talk to your benefits administrator, insurer, or plan provider. Ask them if enrolling in a Medicare drug plan would hurt your other benefits.

You aren’t required to be in our Medicare prescription drug plan and have the option to stay in <current MA-only plan name>. You can also decide to join a different Medicare prescription drug plan (call 1-800-MEDICARE for help in learning how). If you decide not to be enrolled and don’t have other drug coverage at least as good as Medicare’s (also referred to as “creditable prescription drug coverage”), you may have to pay a penalty to join later. If you don’t want Medicare prescription drug coverage, call our Member Services Department at <phone number>. TTY users should call <TTY number> within 10 days of the date on this letter. We are open <insert days/hours of operation and, if different, TTY hours of operation>. You will need to tell us you don’t want Medicare prescription drug coverage.

Thank you.

Exhibit 28: MA Model Notice to Inform Member of Facilitated Enrollment into MA-PD plan

Referenced in section: 40.1.6

[Member # - if member # is SSN, only use last 4 digits]

[RxID]

[RxGroup]

[RxBin]

[RxPCN]

Dear <insert member name>

Our records show that you qualify for extra help with your prescription drug costs. Medicare is *enrolling* you in our <MA-PD plan name> that offers Medicare prescription drug coverage, beginning <effective date>, *unless you tell us you don't want to join our plan.*

[MA PPO and PFFS plans do not use the following paragraph: Starting <effective date>, all of your health care, except emergency or urgently needed care, or out-of-area dialysis services, must be given or arranged by a <MA-PD plan name> doctor(s). You will need to pay our copayments when you get health care. *[Optional: This letter is proof of insurance that you should show during your doctor's appointments until you get your member card from us.]*

With Medicare prescription drug coverage, you will pay:

- <insert appropriate LIS deductible amount> for your yearly prescription drug plan deductible,
- <insert appropriate LIS copay amount> copayments when you fill a prescription *covered by our plan.*

[Include cost of premium less amount of premium assistance the member is eligible for, brief description of benefit, emergency room, durable medical equipment, inpatient care, annual out of pocket maximum on coinsurance services, etc. if changes. If no changes, simply state that there will be no changes.]

[MA PPO and PFFS plans do not use the following paragraph: Please remember that, except for emergency or out-of-area urgent care, or out-of-area dialysis services, if you get health care from a non-<MA-PD plan name> doctor without prior authorization, you will have to pay for the health care yourself.

[MA PPO plans use the following paragraph: Beginning <effective date>, you will receive your health care as provided in your <insert either "Member handbook" or 'Evidence of Coverage'>. You will need to pay your plan co-payments and co-insurance at the time you get health care services, as provided in your member materials.

[MA PFFS plans use the following paragraph: Beginning <effective date>, you will begin to receive your healthcare from <MA-PD plan name>, which allows you to go to any Medicare-approved doctor or hospital that is willing to give you care and accept our plan's terms of payment, as provided in your <insert either "Member handbook" or "Evidence of Coverage">. You will need to pay your plan co-payments and co-insurance at the time you get health care services, as provided in your member materials.]

If you have other types of prescription drug coverage, or if your employer pays for your enrollment in <MA-only plan name>, read all the materials you get from your insurer or plan provider. Examples of other types of prescription drug coverage include coverage from an employer or union, TRICARE, the Department of Veteran's Affairs, or a Medigap policy. Talk to your benefits administrator, insurer, or plan provider. Ask them if enrolling in Medicare drug coverage would hurt your other benefits.

You *aren't* required to be in our Medicare prescription drug plan and have the option to stay in <MA-only plan name>. *You can also decide to join a different Medicare prescription drug plan (call 1-800-MEDICARE for help in learning how).* If you decide not to be enrolled and don't have other drug coverage at least as good as Medicare's (*also referred to as "creditable prescription drug coverage"*), you may have to pay *a penalty to join* later. If you don't want Medicare prescription drug coverage, call our Member Services Department at <phone number>. TTY users should call <TTY number>. We are open <insert days/hours of operation and, if different, TTY hours of operation>. You will need to tell us you don't want Medicare prescription drug coverage.

Thank you.

Exhibit 28a: MA Model Notice to Inform Member of Facilitated Enrollment into PDP

Referenced in section: 40.1.6

[Member # - if member # is SSN, only use last 4 digits]

[RxID]

[RxGroup]

[RxBin]

[RxPCN]

Dear <insert member name>

Our records show that you have Medicare and Medicaid. <Insert for those with retroactive effective dates: To make sure that you don't lose a day of your drug coverage,> <Insert for those with prospective effective dates: To make sure you have prescription drug coverage,> Medicare is enrolling you in our <name of PDP> that offers Medicare prescription drug coverage, beginning <effective date>, unless you tell us you don't want to join our plan.

Starting <effective date>, all of your health care, will continue to be covered under your <current MA-only plan name>, and your pharmacy coverage will be provided through our <PDP name>. Your medical benefits and member copayments under <current MA-only plan name> will not change. [Optional: You will be sent a pharmacy card along with more detailed information about your pharmacy coverage in the next several days. Until you receive your pharmacy card, you can use this letter to purchase your prescriptions. This letter includes the information needed to obtain your prescriptions.]

With the addition of this Medicare prescription drug coverage, you will pay:

- \$0 for your yearly prescription drug plan deductible,
- <insert appropriate LIS copay amount> copayments when you fill a prescription covered by our plan.

There will be no changes to your premium, medical benefits or member copayments under the <current MA-only plan name>.

If you have other types of prescription drug coverage, or if your employer pays for your enrollment in <current MA-only plan name>, read all the materials you get from your insurer or plan provider. Examples of other types of prescription drug coverage include coverage from an employer or union, TRICARE, the Department of Veteran's Affairs, or a Medigap policy. Talk to your benefits administrator, insurer, or plan provider. Ask them if enrolling in a Medicare drug plan would hurt your other benefits.

You are not required to be in our Medicare prescription drug plan. You can also decide to join a different Medicare prescription drug plan (call 1-800-MEDICARE for help in learning how). If you decide not to be enrolled and don't have other drug coverage at least as good as Medicare's

(also referred to as “creditable prescription drug coverage”), you may have to a penalty to join later. If you don’t want Medicare prescription drug coverage, call our Member Services Department at <phone number>. TTY users should call <TTY number> within 10 days of the date on this letter. We are open <insert days/hours of operation and, if different, TTY hours of operation>. You will need to tell us you don’t want Medicare prescription drug coverage.

Thank you.

Exhibit 29: Acknowledgement of Request to *Opt Out of Auto/Facilitated Enrollment*

Referenced in section(s): 40.1.6

Dear <name of member>:

As requested, we have processed your request to decline (*opt out of*) Medicare prescription drug coverage. You will continue to be a member of <plan name> that does not offer Medicare prescription drug coverage.

If you had Medicaid drug coverage, it will no longer pay for your prescription drugs. Our records show you are eligible for extra help with your prescription drug costs, but you must have Medicare prescription drug coverage to get this help.

Remember, even if you don't use a lot of prescription drugs now, you still should consider *joining* a Medicare prescription drug plan. *As we age, most people need prescription drugs to stay healthy.* If you don't join a prescription drug plan when you are first eligible *to join*, and you don't have prescription drug coverage that covers at least as much as Medicare's (*also referred to as "creditable prescription drug coverage"*), *you may have to pay a penalty to join later.* You will have to pay *the* penalty *in addition to your premium* as long as you have *a* Medicare drug *plan.*

If you change your mind now *and would like to join*, you can call <plan name> customer service at <phone number>, Monday through Friday between the hours of <hours>. TTY users should call <TTY number>.

Thank you.

Exhibit 30: Model Notice for Enrollment Status Update

(For use with Transaction Reply Codes (TRC) from User Interface (UI) changes)

Referenced in section: 60.7

[Member # - if member # is SSN, only use last 4 digits]

Dear <Name of Member>:

Your enrollment in <Name of Plan> has been updated.

[Insert one or more of the following, including sufficient detail to describe the specific enrollment change:

- You have been enrolled in <name of plan>. Your coverage will start on <insert start date> and will end on <insert end date>. [Insert information about premiums, if applicable, and how to access coverage, etc.].*
- Your enrollment in <name of plan/old PBP> has been changed to <name of plan/new PBP>. Your coverage in <name of plan/new PBP> will start on <date>. [Insert information on premium differences (if any), cost sharing information, and other details the individual will need to ensure past and future coverage is clear]*
- Your enrollment in <Name of Plan> has been changed to start on an earlier date. Your coverage will start <date>. [Include information about premiums and coverage]*
- Your enrollment in <Name of Plan> has been changed to start on a later date. Your coverage with <Name of Plan> will start on < date>. [Insert information about refunding premium, where applicable, and impact to paid claims]*
- Your enrollment in <Name of Plan> [ended, will end] on < date>. This means you [don't, won't] have coverage from <Name of Plan> after <date>. [Insert appropriate descriptive information, such as premium owed if the date has moved forward, or premium refunds if the date has moved back, and impact on paid claims or how to submit claims, as applicable]*
- Your enrollment in <Name of Plan> has been cancelled. This means that you don't have coverage from <Name of Plan>. [Insert information about refund of premium, if applicable, and impact to any paid claims]*

[Insert other pertinent and appropriate information regarding the enrollment status update and the resulting impact to the beneficiary as necessary]

Call <toll-free number> <days and hours of operation> to get more information. TTY users should call <toll-free TTY number>.

Thank you.

<Contract #, Material ID, CMS Approval Date (if applicable)>