DEPARTMENT OF HEALTH & HUMAN SERVICES
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CMS

CENTERS for MEDICARE & MEDICAID SERVICES

CENTER FOR MEDICARE

 DATE: August 8, 2011

TO: Medicare Cost Plans

FROM: Anthony Culotta, Director
                Medicare Enrollment & Appeals Group

SUBJECT: Alternative Enrollment Mechanisms for 1876 Cost Plans

Overview

Consistent with our April 15, 2011 final rule (76 FR 21432), cost plans now may use telephonic and online enrollment mechanisms, in addition to accepting enrollments via paper format. Additionally, cost plans will have the option to participate in the Medicare Online Enrollment Center (OEC). This memorandum contains the procedural requirements associated with the new regulation (which are set forth at 42 CFR 417.30).

Cost plans that choose to implement these expanded mechanisms must submit telephonic enrollment scripts and/or web pages related to the online enrollment process to CMS for review and approval in accordance with CMS Medicare Advantage (MA) & Part D Marketing Guidance. Further, these enrollment mechanisms must capture all the data required for the plan to submit a complete enrollment request to CMS as per §40.1 and Exhibit 1 of Chapter 17-D of the Medicare Managed Care Manual (the cost plan enrollment manual).

A cost plan that chooses to use any of these mechanisms cannot require beneficiaries to use the new mechanism and must still offer a paper enrollment form process (as described in the cost plan enrollment manual and approved through the CMS marketing material review process described in the CMS Marketing Guidelines) for potential enrollees to elect enrollments in the cost plan.

While CMS allows other enrollment mechanisms such as seamless enrollment and group enrollment (including the employer/union group enrollment mechanism) in other Medicare programs, these options are not available to the Medicare cost program at this time.

Enrollment Via Telephone

Organizations may accept telephonic requests for enrollment into their cost plans only via an incoming (in-bound) telephone call to a plan representative or agent. CMS prohibits conducting outbound telephonic enrollment. Organizations that choose to offer a telephonic enrollment mechanism must follow the requirements below in addition to all other applicable program requirements:

- The cost plan must ensure that the telephonic enrollment request is effectuated entirely by the beneficiary or his/her authorized representative and that the plan representative, sales

agent or broker is not physically present with the beneficiary or present on the phone at the time of the request.

- The telephonic enrollment mechanism must clearly advise individuals that they are completing an enrollment request into the plan.

- The cost plan must record the audio of each telephonic enrollment request including a statement of the individual's agreement to be recorded, all required elements necessary to complete the enrollment (as required on the model enrollment form, Exhibit 1 in the cost plan enrollment manual), and a verbal attestation of the intent to enroll. If someone other than the beneficiary makes the request, the recording must include the attestation regarding the individual's authority under State law to complete the request, in addition to the required contact information. All telephonic enrollment recordings must be reproducible and maintained as provided in §60.4 of the cost plan enrollment manual.

- The telephonic enrollment mechanism must include a tracking mechanism (e.g., a confirmation number) to provide the individual with evidence that the cost plan received the telephonic enrollment request.

- The cost plan must provide a notice of acknowledgement and other required information as described in §40.4.1 of the cost plan enrollment manual.

- The cost plan may not collect information through the telephonic enrollment mechanism that is also prohibited on the paper enrollment mechanism (e.g., impermissible health screening).

- The cost plan may not request or collect financial information (e.g., a credit card or bank account number) or market other lines of business at any time during the enrollment call.

Enrollment Via the Internet

Only organizations may accept enrollment requests into their cost plans via the organization's secure internet web site (or through the Medicare Online Enrollment Center as described below). Online enrollment via other means, such as a broker's website, is prohibited. Organizations that choose to offer an online enrollment mechanism must follow the requirements below, in addition to all other applicable program requirements:

- At a minimum, the organization's internet enrollment mechanism must comply with CMS' internet security policies (found at: http://www.cms.hhs.gov/informationsecurity/ on the web). The cost organization may include additional security provisions.

- The cost organization must advise each individual at the beginning of the online enrollment process that s/he is sending an actual enrollment request to the cost plan.

- The cost organization must maintain electronic records that are securely stored and readily reproducible for the period as required in §60.4 of the cost plan enrollment manual. The organization's record of the enrollment request 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.

- As part of the online enrollment process, the cost plan's internet enrollment mechanism must inform the individual that, by clicking on the "Enroll Now" or "I Agree" button, s/he is indicating his/her intent to enroll and agreement to the release and authorization language, (see the model enrollment form, Exhibit 1 in the cost plan enrollment manual, for

this language), and attesting to the truthfulness of the data provided. The process must also remind the individual of the penalty for providing false information.

- The internet enrollment mechanism must 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.

- The internet enrollment mechanism must also indicate that if a legal representative is completing the enrollment request, s/he must attest that s/he has such authority to make the enrollment request and that proof of this authority is available upon request by CMS.

- The internet enrollment mechanism must include a tracking mechanism to provide the individual with evidence that the internet enrollment request was received (e.g., a confirmation number).

- Following the acceptance of an online enrollment request, cost plans must provide a summary of the plan for which the individual has requested enrollment or provide a statement that the individual will receive a notice in the mail in response to the enrollment request – e.g., acknowledging receipt of the completed enrollment request, or requesting additional information or denial of enrollment.

- The cost plan may not collect information on the online enrollment mechanism that is also prohibited on the paper enrollment mechanism (e.g., impermissible health screening).

- The cost plan may not request or collect financial information (e.g., a credit card or bank account number) or market or enroll beneficiaries in other lines of business/products as part of the online enrollment process.

Medicare Online Enrollment Center (OEC)

In addition to the processes described above, cost plans, including those plans with optional supplemental Medicare prescription drug plans, may choose to participate with the OEC through the www.medicare.gov web site and the 1-800-MEDICARE Call Center. The date and time "stamped" by the OEC will serve as the application date for purposes of determining the enrollment effective date. Cost plans must promptly retrieve enrollment requests from the OEC and must check for requests at least daily.

Because the effective date for enrollment into a cost plan can vary depending on the method used by cost plans (per §30.2 of the cost plan enrollment manual), the cost plan must contact the individual in order to determine his/her desired effective date. To that end, data on the cost plan's OEC report will include a "dummy code" that will not necessarily constitute a valid enrollment effective date.

Cost plans must still determine the effective date of enrollment in the cost plan's optional supplemental Part D drug benefit separately from the cost plan enrollment itself (per §30.2.3 of the cost plan enrollment manual).

In order to participate in the OEC starting October 15, 2011, cost plans must e-mail Stacy Platte at Stacey.Platte@cms.hhs.gov no later than September 2, 2011. The e-mail request must:

- State in the subject line of the email "OEC Participation Request for 2012 Cost Plans"

- List the contract ID(s) and plan ID(s) for the Cost Plans that will voluntarily participate in the OEC

- Provide the name, telephone, and email of the individual within the cost plan organization who is the point-of-contact for any questions that CMS may have about your request

If CMS receives a request to participate with the OEC after September 2nd, that cost plan's account on the OEC may not be able to start accepting enrollments until two (2) months after the date of the OEC request.

Cost plans that choose to end their participation in the OEC or that close enrollment must also contact Stacey Platte at CMS at least two months prior to the expected end date. If the cost plan remains open for enrollment, the plan information will still appear on the OEC, but CMS will disable the "Enroll Now" button.

CMS' Requirements for Plans Participating in the OEC

Cost plans participating in the OEC must also meet the following requirements that apply to all plans participating in the OEC.

- With the exception of obtaining the enrollment effective date, as described above, all participating cost plans must accept enrollments received through the OEC as complete in terms of the information that the applicant is required to provide. Plans must follow up with the enrollee to get any optional information that the plan requires, but the cost plan cannot delay processing the enrollment while waiting for the additional information. Plans should refer to the cost plan enrollment guidance for a complete description of enrollment processing requirements.

- Please refer to the Medicare Online Enrollment Center File Layout document for more information on the file layout and applicable data elements for each of the OEC forms. This document is available in the "Help" section of the OEC's Administrative Console.

- All cost plans are expected to log into the Administrative Console (https://enrollmentcenter.medicare.gov/AdministrativeConsole/PlanFinder/login.aspx) *at least once every business day* and download any pending enrollments. By September 22, 2011, CMS will send log-in IDs and passwords to the OEC Contacts listed in HPMS. Contact the Plan Compare Help Desk at 888-203-8497 or plancompare@destinationrx.com for log-in issues.

- Plans have access to information to validate the confirmation number. When necessary, they can have the enrollment re-set so that they can download the enrollment again. All valid OEC confirmation numbers are 14 digits in length and will always start with the number "2". Plans should first ensure that the number meets this format.

- An organization can establish a link to the OEC directly from its web site. This option allows an organization to initiate the OEC enrollment application process but complete

the OEC enrollment application on Medicare.Gov. This option is available only to those cost plans participating in the OEC. Information regarding the requirements to link to the OEC is posted in the "Help" section of the Administrative Console.

NOTE: Plans that have a link to the OEC from an external web site and decide to end participation in the OEC will be required to disable the link in order to avoid having to download enrollments from the OEC received from the external web site.

- If the enrollee does have a valid online enrollment center confirmation number, the plan can verify the enrollment through the Administrative Console. The URL is: https://enrollmentcenter.medicare.gov/AdministrativeConsole/PlanFinder/login.aspx. If the enrollment has not been downloaded, the plan should download the enrollment through its usual procedures and process the enrollment.

- If the enrollment has already been downloaded but needs to be reprocessed, the plan should send an email to plancompare@destinationrx.com that contains the online enrollment confirmation number and a request that the enrollment be reset so that it can be downloaded again.

- If the plan is unable to find the enrollment in the Administrative Console, the plan can work via email with its designated regional office. The regional office staff can work with CMS central office to try to locate the call record and validate the enrollment.

For Assistance
If you have questions on participation in the Medicare Online Enrollment Center, please contact Stacy Platte at Stacey.Platte@cms.hhs.gov. If you have specific policy questions about any of these enrollment mechanisms, please contact Jim Canavan at (410) 786-5223 or James.Canavan@cms.hhs.gov.