

CENTER FOR MEDICARE

DATE: November 19, 2010

TO: Medicare Advantage Organizations

FROM: Michael Crochunis, Acting Director
Medicare Enrollment & Appeals Group

RE: Clarification Regarding Enrollment in Other Plans Offered by an MA Organization

The purpose of this memorandum is to help MA organizations better serve Medicare beneficiaries with end-stage renal disease (ESRD) by providing clarification on one circumstance in which an individual with ESRD may enroll in a Medicare Advantage plan. This memorandum also defines the term “parent organization” as it pertains to this matter.

Chapter 2, Section 20.2.2 of the Medicare Managed Care Manual (MMCM) states that an individual with ESRD may not enroll in a Medicare Advantage (MA) plan unless such an individual meets certain qualifications that exempt him/ her from this prohibition (and they are otherwise eligible to enroll in that plan). One exception is that a Medicare beneficiary with ESRD who is already enrolled in an MA plan “may elect other MA plans in the same MA organization.”

Previously, CMS limited application of this exception to plan benefit package (PBP) changes between PBPs under the same contract (i.e., PBPs with the same H number). Effective immediately, Medicare beneficiaries with ESRD who are already enrolled in an MA plan may elect to enroll in another MA plan within the same parent organization provided that:

- The new MA plan operates in the same state as the previous MA plan,
- The beneficiary meets all the other requirements for enrollment in that MA plan, and
- The effective date is prospective from the date of this memorandum.

CMS will permit a change from an HMO to a PPO or a PFFS plan within the same parent organization, as long as the change meets all of the criteria listed above.

For the purpose of this policy, the term “parent organization” is defined as an entity that owns one or more contracts (H numbers) with CMS to provide MA plans.

If you have questions about any of these instructions, please contact Jim Canavan at (410) 786-5223 or James.Canavan@cms.hhs.gov.