

Cost Plan Policy Issue

03-003

Question

Can a Cost plan *require* the beneficiary (who only has Part B) to purchase Part A through the MCO?

If the answer is NO, then does the plan have to prepare marketing material specifically for these Part B only members?

Answer

No – a cost plan CANNOT require a Part B only beneficiary to purchase Part A-like benefits through the MCO.

Cost plans are required to enroll individuals with Part B and the scope of services for a Part B-only beneficiary is Part B services. Therefore, anything over and beyond would be supplemental. But since cost plans are not permitted to impose mandatory supplemental services (only risk plans can do so), cost plans can only offer Part A-like benefits as optional supplemental services.

A Medicare cost plan is not required to prepare marketing materials specifically for Part B-only members. However, it does need to account for these members in its marketing materials to ensure that they understand how rules, benefits, and cost sharing applies to them. For example, if the Medicare cost plan wanted to provide all members with a list of all Medicare Part A and Medicare Part B benefits available to them along with the cost of receiving those benefits, it would need to specify that the Part B-only members would have to pay the whole amount for any Part A benefits. Or, if the Medicare cost plan developed marketing materials (like the Evidence of Coverage) that included sections on Part A benefits, the Medicare cost plan could state that the section would not apply to Part B-only members.