



MEDICARE ENROLLMENT & APPEALS GROUP

DATE: July 6, 2015

TO: Medicare Advantage Organizations, Prescription Drug Plan Sponsors, Section 1876 Cost Organizations

FROM: Arrah Tabe-Bedward
Director, Medicare Enrollment & Appeals Group

SUBJECT: Clarification of Electronic Enrollment Mechanisms and Correction of Erroneously Deleted Medicare Advantage Disenrollment Guidance

The purpose of this memorandum is to provide clarifying guidance about electronic enrollment mechanisms and the role of contractors, subcontractors, and first-tier and downstream entities in the online enrollment process. Separately, we are addressing an error in a previous update to the Medicare Advantage (MA) guidance in which text was inadvertently removed.

Clarification of Electronic Enrollment Mechanisms

On February 4, 2014, we issued an HPMS memorandum (“Clarification of Allowable Online Enrollment Mechanisms”) that stated that plans may utilize contractors, subcontractors, and first-tier or downstream entities, such as a broker or third party website, as a means of online promotion or of facilitating and capturing enrollment requests. We would like to clarify that for enrollments effective January 2015, and later, electronic enrollment via a third-party website or non-plan owned electronic device, mechanism or software *is* permitted. We remind plans/sponsors that from the point at which an individual selects the plan of his or her choice and begins the online enrollment process on the third-party website or electronic device, CMS holds the organization responsible for the security and privacy of the information provided by the applicant and for the timely disclosure of any breaches.

Correction of Erroneously Deleted Medicare Advantage Disenrollment Guidance

In a previous update to the MA enrollment and disenrollment guidance, some of the text from the second paragraph of Section 50.2.1.2 (Effective Date) was inadvertently removed. The corrected text, which now appears as two separate paragraphs, should read as follows (new text in red italicized font):

In the case of *incarcerated* individuals, MA organizations may receive notification of the individual’s out-of-area status via a TRR; disenrollment is effective the first of the month following the organization's confirmation of a current incarceration.

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 (or its designee) for consideration of retroactive action.

The above information, as applicable, will be incorporated into the MA, Medicare Prescription Drug Plan (PDP), and cost plan enrollment guidance materials posted at the links below within 10 business days of this memorandum. Additional guidance updates for 2016 will be announced separately via HPMS memoranda and posted to the links below in a similar timeframe:

- MA and Cost Plan enrollment guidance: <http://www.cms.gov/Medicare/Eligibility-and-Enrollment/MedicareMangCareEligEnrol/index.html>
- PDP enrollment guidance: <http://www.cms.gov/Medicare/Eligibility-and-Enrollment/MedicarePresDrugEligEnrol/index.html>

It is expected that organizations are already compliant with the requirements for use of electronic enrollment mechanisms. For questions regarding current compliance status or whether there is a need for any corrective action to achieve full compliance, please contact your CMS Account Manager for assistance.