

COST PLAN POLICY ISSUE
03-014

QUESTION:

Can 1876 plans “passively” enroll a Part B Only member into their Part A & B plan once they determine the member has become entitled to Part A? Additionally, can they “passively” enroll a Part A & B member who loses Part A into their Part B Only plan?

ANSWER:

Cost plans provide Part B or Part A and Part B benefits. Additionally, cost plans may offer “high option” packages that include optional supplemental benefits.

In the first scenario, where a Part B only member now also has Part A, the cost plan should assign the member to the basic package for Part A/Part B, and 1) inform the member of the additional benefits as well as the increased premium for these benefits, 2) offer the beneficiary the option to purchase any optional supplemental packages, and 3) provide the option to disenroll.

In the second scenario, where a Part A & B member loses Part A coverage, the member remains enrolled in the cost plan and the cost plan must continue to cover Part B benefits. The cost plan may offer all or partial Medicare Part A benefits as determined by the optional supplemental packages offered by the plan. See 42 CFR 417.460 (h) (1) and the Medicare Managed Care Manual, Chapter 17, Subpart D, Section 50.2.3