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Bulletin 98-16

To: **Issuers Offering Medicare Supplement Insurance**
HMOs Offering Evidences of Coverage Issued Pursuant to a Risk or Cost Contract

From: Commissioner Linda Ruthardt

Re: **Required Open Enrollment Period To Be Held Pursuant to M.G.L. c. 176K for Medicare Supplement plans between October 8, 1998 and December 7, 1998 and for Medicare HMO plans between October 8, 1998 and November 20, 1998**

Date: October 2, 1998

The purpose of this bulletin is to inform all issuers offering Medicare Supplement insurance policies and HMOs offering evidences of coverage issued pursuant to a risk or cost contract that are subject to the provisions of M.G.L. c. 176K that such carriers must participate in a required open enrollment period pursuant to M.G.L. c. 176K, sections (2)(b) and 3(g), as well as 211 CMR 71.10(6). This required open enrollment period will be for carriers marketing Medicare Supplement plans and Medicare HMO products within the Medicare-approved service areas for the Health Care Prepayment Plans of Community Health Plan and Kaiser Foundation Health Plan of Massachusetts and will start on October 8, 1998 and continue through the dates noted above.

The Division has scheduled this open enrollment period because it has been notified by the federal Health Care Financing Administration (HCFA) that HCFA's Health Care Prepayment Plan contracts with Community Health Plan (CHP) and with Kaiser Foundation Health Plan of Massachusetts (Kaiser) will no longer be in effect as of January 1, 1999 for the purposes of individual/direct pay enrollment. The CHP Health Care Prepayment Plan product had been marketed under the name *MedicarePlus;* the Kaiser Health Care Prepayment Plan product had been marketed under the name *Medicare Plus*. Both CHP and Kaiser ceased new sales of their Health Care Prepayment Plan products as of January 1, 1996.

This open enrollment period is available to all persons who are covered under either a CHP or Kaiser Health Care Prepayment Plan as of September 30, 1998 and who meet the definition of Eligible Person found in 211 CMR 71.03. Carriers must make available to these individuals all Medicare Supplement policies or Evidences of Coverage currently available from the carrier. Coverage must be effective on January 1, 1999; provided, however, that if a carrier can accommodate an earlier effective date and the applicant chooses to have coverage with that carrier start before January 1, 1999, an effective date prior to January 1, 1999 is acceptable.

Any questions regarding this bulletin should be directed Kevin Beagan, Director of the Health Unit of the State Rating Bureau at the Division of Insurance, at (617) 521-7347.