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LINDA RUTHARDT
COMMISSIONER OF INSURANCE

Bulletin 99-07

To: **Issuers Offering Medicare Supplemental Insurance**
HMOs Offering Medicare Managed Care Plans

From: Commissioner Linda Ruthardt

Re: Required Open Enrollment Period To Be Held Pursuant to M.G.L. c. 176K

Date: November 24, 1999

The purpose of this bulletin is to inform all issuers offering Medicare Supplement insurance policies and HMOs offering Medicare managed care plans 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). The Division has scheduled this open enrollment period because it has been notified by the federal Health Care Financing Administration (HCFA) that HCFA's contract Harvard Pilgrim Health Care of New England, Inc. (HPHCNE) affecting certain Massachusetts residents will no longer be in effect after December 31, 1999 for the purposes of individual/direct pay enrollment.

This required open enrollment period will be for carriers marketing Medicare Supplement plans and Medicare HMO products within the service area for the members enrolled in the following plan:

- HPHCNE's Medicare managed care plan marketed as *First Seniority–Rhode Island.*

This special open enrollment period has been scheduled from **November 24, 1999 to December 31, 1999**. HPHCNE has been instructed to notify all the current members who reside in Massachusetts.

This open enrollment period is available only to Massachusetts persons who are enrolled in *First Seniority-Rhode Island* as of November 24, 1999 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 of Medicare managed care plans currently available from the carrier. Coverage must be effective on January 1, 2000; provided, however, that an effective date prior to January 1, 2000 is acceptable if a carrier can accommodate an

that an effective date prior to January 1, 2000 is acceptable if a carrier can accommodate an earlier effective date and the applicant chooses to have coverage commence with that carrier before January 1, 2000.

NOTE: HCFA estimates that only 5 individuals living in Massachusetts are affected by the termination of HPHCNE's *First Seniority-Rhode Island* contract. If you get inquiries that make this estimate appear to be inaccurate, please contact the Division at your earliest convenience.

Carriers are reminded that mandatory participation in this special open enrollment period is in addition to compliance with all other required enrollment rights afforded to individuals pursuant to the federal Balanced Budget Act of 1997.

Carriers are reminded that the noted special open enrollment period is based upon information available as of this date and may need to be modified if there are any future changes to HCFA's contracts with other Medicare HMO plans.

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