JANE SWIFT
GOVERNOR

COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
DIVISION OF INSURANCE
One South Station • Boston, MA 02110-2208
(617) 521-7794 • FAX (617) 521-7773
TTY/TDD (617) 521-7490
http://www.state.ma.us/doi

JENNIFER DAVIS CAREY
DIRECTOR, CONSUMER AFFAIRS AND BUSINESS REGULATION

JULIANNE M. BOWLER
COMMISSIONER OF INSURANCE

Bulletin 02-14

To: Issuers Offering Medicare Supplemental Insurance
Health Maintenance Organizations (HMOs) Offering Medicare Managed Care Plans

From: Commissioner Julianne M. Bowler Julianne M Bowler

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

Date: September 16, 2002

The purpose of this bulletin is to inform all issuers offering Medicare Supplement insurance policies and HMOs offering Medicare managed care plans (also called "Medicare+Choice," or "M+C") that are subject to the provisions of M.G.L. c. 176K of their obligation to 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 is scheduling such an open enrollment period to be held between **October 1, 2002 and December 15, 2002.** The Division has been notified by the federal Centers for Medicare and Medicaid Services (CMS, formerly the federal Health Care Financing Administration (HCFA)) that, effective January 1, 2003, its contracts with Tufts Associated Health Maintenance Organization, Inc. (Tufts) in the locations identified below will no longer be in effect after December 31, 2002 for the purposes of individual/direct pay enrollment.

Tufts' Medicare managed care plan marketed as *Secure Horizons* - for the following cities/towns within the following areas are affected:

Barnstable County: Bourne, Falmouth, Mashpee and Sandwich;
Bristol County: Berkeley, Dighton, East Taunton and Taunton;
Essex County: Marblehead, Salem and Swampscott;
Middlesex County: Everett;
Plymouth County: Lakeville and Middleborough;
Suffolk County: Charlestown, Chelsea, East Boston, Revere and Winthrop.

Only those persons who are enrolled in these Medicare+Choice HMOs and who live in the affected locations will be eligible for the state guaranteed issue provisions of the special open enrollment period that is required under 211 CMR 71.10(6). This required open enrollment period will be for carriers marketing Medicare Supplement plans and Medicare+Choice HMO products within any or all of the locations listed above. The special open enrollment is scheduled to take place between **October 1, 2002 and December 15, 2002.**

During this special open enrollment period, carriers must make available to all affected individuals all Medicare Supplement policies currently available and Medicare+Choice HMOs must offer all available plan options. Carriers must ensure that applicants who apply during this special open enrollment period are given the opportunity to make their coverage effective before January 1, 2003, coincident with the date that the applicant has disenrolled from his or her Medicare+Choice HMO plan and returned to Original Medicare coverage. Carriers should prepare their systems to ensure that there is a seamless transition to Medicare Supplement coverage regardless of when applications are processed.

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 M.G.L. c. 176K, as well as the federal Balanced Budget Act of 1997, Balanced Budget Refinement Act and Benefits Improvement and Protection Act of 2000. 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, or faxed to (617) 521-7773.