

COST PLAN POLICY ISSUES
03-016

QUESTION:

May a cost plan limit the number of times a member may switch between plans within an organization during a calendar year?

Since there is no specific PBP for cost plans can they limit their enrollment if the plan is continuously open for enrollment for the general public?

FINAL RESPONSE:

Cost HMOs do not have different "plans" in this context, but actually have one cost plan and may perhaps offer several "packages" of optional supplemental benefits.

The cost organization may develop a policy regarding when plan enrollees are able to select among these "packages" of optional supplemental benefits. New enrollees must be offered at least a 30-day period to make this choice. A similar opportunity must be offered to all enrollees consistently, and cannot be a period of less than 30 days annually. For example, the cost organization could establish December as the month all current enrollees may choose to change their choice of benefit package, and provide that all new enrollees get a similar 30 day window to select the package they want. Enrollees may always discontinue optional supplemental packages. If a cost organization does not have this type of policy in place and the optional supplemental packages are continuously open then the organization cannot limit enrollment in the package or switching of packages.