

20.1 - General

(Rev. 101, Issued: 08-19-11, Effective: 08-19-11, Implementation: 08-19-11)

Each Medicare Advantage (MA) organization must be licensed under State law as a risk-bearing entity. As provided in section 20 of chapter 1 of this manual, this means the entity is licensed or otherwise authorized by the State to assume risk for offering health insurance or health benefits coverage, such that the entity is authorized to accept prepaid capitation for providing, arranging, or paying for comprehensive health services under an MA contract.

For further discussion of MA State licensure requirements, refer to section 20.1 of Chapter 11 of this manual (“MA Application Procedures and Contract Requirements”).