

100.3 - Beneficiary Financial Protections

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Each MA organization must adopt and maintain arrangements satisfactory to CMS to protect its enrollees from incurring liability (for example, as a result of an organization's insolvency or other financial difficulties) for payment of any fees that are the legal obligation of the MA organization. To meet this requirement, the MA organization must:

- Ensure that all contractual or other written arrangements with providers prohibit the organization's providers from holding any beneficiary enrollee liable for payment of any such fees; and
- Indemnify the enrollee for any fees that are the legal obligation of the MA organization for services furnished by providers that do not contract, or that have not otherwise entered into an agreement with the MA organization, to provide services to the organization's beneficiary enrollees.

The MA organization must provide for continuation of enrollee health care benefits for:

- All enrollees, for the duration of the contract period for which CMS payments have been made; and

- Enrollees who are hospitalized on the date its contract with CMS terminates, or, in the event of an insolvency, through discharge.

To meet this continuation of benefits requirements, an MA organization may use:

- Contractual arrangements (see MA contract requirements described at §20 and §§100.1 - 100.2);
- Insurance acceptable to CMS;
- Financial reserves acceptable to CMS; or
- Any other arrangement acceptable to CMS.