160 - Enrollment and Marketing Costs (Rev. 4, 10-01-01)

Enrollment and marketing costs are those necessary and proper costs incurred in offering the cost-based HMO/CMP to potential enrollees. These costs include selling, advertising, and promotional activities incurred directly by the organization or under contract with outside specialists. Enrollment and marketing costs are allowable to the extent they are reasonable and do not exceed an amount that would be incurred by prudent and cost conscious management.

These costs do not include membership costs (see §180) or special costs (see §200).