

## **210.1 - Under and Over Collection of Premiums**

**(Rev. 4, 10-01-01)**

The HMO/CMP is responsible for computing any over or under collection of premiums. All over collections of premiums must be returned to the Medicare enrollee. The HMO/CMP may select, with prior approval, one of the following three methods to refund over collections:

- Adjust future years' premiums;
- Provide a lump sum payment to the enrollee; or
- A combination of premium adjustment and lump sum payment.

Unintentional (or involuntary) under collections of premiums may be collected from the HMO/CMP's Medicare enrollees by an adjustment to its Medicare enrollees' future premiums. However, the HMO/CMP must collect the under collections through premium

adjustments no later than the end of the contract period following the contract period during which they were found to be due. Intentional (or voluntary) under collections of premiums cannot be recouped by the HMO/CMP from the Medicare enrollee.