

## **Cost Plan Policy Issue**

### **03-002**

#### **Question**

Can a cost plan send a letter to its beneficiaries asking for additional information with a timeframe for submitting the additional information prior to denying the application? Or must they deny the application up-front?

#### **Answer**

CMS will clarify this issue in an upcoming update to the cost plan enrollment instructions.

A cost plan must deny an enrollment on its own determination of the ineligibility of the individual to enroll in the plan. This up-front denial determination should be made in a timely manner, but no later than 30 business days from the date the individual signed the form.

However, when a cost plan receives an enrollment form and cannot process it because of missing (or erroneous) information, it should contact the individual by phone to obtain the information necessary and document all efforts to obtain information needed. The cost plan may also send a letter asking for information.

If the individual does not respond within 30 days of the request for additional information, the cost plan must deny the enrollment, and should send the appropriate notice to the individual within the 7 business days following this denial.