



# Beacon Enrollment Manager

**Digitally Transforming Medicare Advantage  
Enrollment Processing**

## Executive Summary

As the population of older adults eligible for Medicare coverage increases, the need for health plans to effectively manage administration complexities grows as well. This phenomenon is particularly evident in Medicare Advantage (MA) plans, as they continue to grow exponentially. A recent study showed that from 2006 through 2022, MA enrollment increased by 337%. A full 50% of Medicare beneficiaries enrolled in MA in 2022.<sup>1</sup>

Enrollment is the first critical component in the administration of Medicare Advantage and Part D (prescription coverage) plans. There are many inherent challenges and financial impacts of operating these programs. First, health plans must find optimal strategies for managing enrollments in an accurate, timely manner. At the same time, they must also maintain compliance with enrollment criteria established by the Centers for Medicare and Medicaid Services (CMS).

The balancing act between cost-effectiveness and compliant membership and eligibility administration is another challenge for payers. Healthcare administrative costs in the U.S. are under public scrutiny in recent years, notwithstanding the narrow profit margins that result. With operating costs as high as 17.8%,<sup>2</sup> any cost-saving measure can have a significant impact on a health plan's bottom line.

The need for an effective software solution for MA and Part D enrollment processing is paramount, and key to overcoming the challenges inherent to enrollment administration. Success depends on several key features.

The ideal software solution keeps pace with the volume of enrollments while ensuring accuracy and compliance with CMS enrollment requirements. It also automates enrollment and membership processing, reduces costs for health plans, and increases efficiency.

Beacon Healthcare Systems has created an innovative solution in Beacon Enrollment Manager (BEM). It is designed for MA and Part D plans, including Special Needs Plans (SNPs) and Medicare-Medicaid Plans (MMPs). The goal of this solution is to provide 100% automated enrollment processing with manual intervention required only when there is an error, thereby reducing administrative burden. Implementation is fast, comprehensive reporting tools support compliance, and beneficiary satisfaction is improved.

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<sup>1</sup> Medicare Advantage Enrollment Outpaces -and Nearly Overcomes- Traditional Medicare, New USC Study Finds. USC Schaeffer. March 8, 2023. Accessed July 5, 2023. <https://healthpolicy.usc.edu/article/medicare-advantage-enrollment-outpaces-and-nearly-overcomes-traditional-medicare-new-usc-study-finds/>.

<sup>2</sup> Reinhardt U. Where Does the Health Insurance Premium Dollar Go? JAMA. June 13, 2017. Accessed July 5, 2023. <https://jamanetwork.com/journals/jama/fullarticle/2631518>.

## Existing Options For Managing Enrollments

Organizations that manage enrollments for the MA and Part D programs must process applicants' eligibility correctly and facilitate enrollment with minimal delays. Current solutions often leave gaps in this process, leading to delays and errors that can create significant problems for health plans.

This is unsurprising considering the complexities of the MA enrollment process. It is not unusual for potential beneficiaries to get caught in administrative delays waiting for a decision on their enrollment application. The delay is partly affected by how efficiently MA plans process data during enrollment. Eligibility criteria must be evaluated carefully, and are governed by federal regulations that span many subsets of rules and possible situations that may or may not apply to each individual attempting to enroll.<sup>3</sup>

Aside from the overhead required to manage this massive tangle of information to be sorted, CMS rules mean that errors in the enrollment process potentially subject health plans to costly fines or worse. At the end of the day, issues with the enrollment process impact members and member satisfaction, which can in turn impact Star ratings and the plan's ultimate success with MA programs.

Current solutions may involve retrofit software not originally designed for health plans. This can present the following challenges:

- **Complex, labor-intensive application processing workflows:** Multiple people in a nonlinear workflow may work on a single application, leading to long enrollment processing times and high costs. Manually entered data may introduce errors and delays.
- **Incomplete data due to poor tracking of information:** Beneficiary data is lost due to information and processes being managed across multiple systems and platforms. Inability to identify corrective actions and deficiencies leads to compliance issues. Automated alerts may not even exist.
- **Difficulty keeping up with changing regulations:** The enrollment process must be continually updated with new CMS rules and standards that impact eligibility and compliance. Failure to comply with CMS program requirements can result in enforcement actions ranging from civil money penalties (CMPs) to suspension of enrollment or even termination.<sup>4</sup>
- **Lack of insight and reporting pushes cost down the road:** Many health plans resort to paying analysts to query data that is otherwise impossible to sort through for review.

Ultimately, inadequate technology creates many opportunities for balls to get dropped. A peek under the hood of a typical plan can reveal general chaos in the enrollment workflow and delays, poor ratings, and compliance issues.

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<sup>3</sup> Subpart B—Eligibility, Election, and Enrollment. Code of Federal Regulations. June 13, 2023. Accessed July 5, 2023. <https://www.ecfr.gov/current/title-42/chapter-IV/subchapter-B/part-422/subpart-B>.

<sup>4</sup> Part C and Part D Enforcement Actions. CMS.gov. Accessed July 5, 2023. <https://www.cms.gov/medicare/compliance-and-audits/part-c-and-part-d-compliance-and-audits/partcandpartdenforcementactions->.

## A Look At The Ideal Solution

As MA evolves and grows, so should the technology solutions to support it. Health plans perform best within CMS parameters when equipped with enrollment software that is designed specifically to meet their needs and eliminate ongoing challenges in managing enrollments accurately and efficiently.

**Some specific features are especially helpful in solving common enrollment challenges. When choosing a solution, the ideal software should:**

- Centralize data and processes to one location to reduce both labor needs and the potential for errors
- Automate the enrollment process
- Connect directly with CMS to share information
- Provide clear, easy-to-access reports and eliminate the need for audits
- Generate CMS model letters automatically from a database
- Provide automated notifications for potential problems with applications
- Prevent avoidable rejections of applications due to errors
- Interoperability and integration with other benefits administration systems

Implementing these features leads to better member satisfaction all the way around. This improved satisfaction that starts at the point of enrollment overflows directly into the health plan. A robust solution means resources are no longer tied up with the enrollment process and can be redirected to value-based enhancements to services.

Member satisfaction and care outcomes affect Star ratings. The ratings in turn impact performance benchmarks (and reimbursement).<sup>5</sup> Therefore, each choice a health plan makes to effectively manage their MA and Part D programs matters and contributes to the ongoing viability and profitability of the plan. Enrollment management technology is an important investment in creating a successful MA-PD administration strategy, and one that clearly affects far more than just enrollment.

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<sup>5</sup> Cubanski J., Fuglesten Biniek J, Neuman T. Higher and Faster Growing Spending Per Medicare Advantage Enrollee Adds to Medicare's Solvency and Affordability Challenges. KFF. August 17, 2021. Accessed July 5, 2023. <https://www.kff.org/medicare/issue-brief/higher-and-faster-growing-spending-per-medicare-advantage-enrollee-adds-to-medicares-solvency-and-affordability-challenges/>.

# What is Beacon Enrollment Manager and What does it accomplish?

Beacon Enrollment Manager (BEM) is designed to resolve all of the key challenges of the MA and Part D enrollment process. By automating the enrollment process from end-to-end, BEM makes enrollments smooth, timely, and accurate. The Beacon solution reduces administrative burden and time and cost per application for health plans.

The fully digital features of the BEM solution include:

- ⇒ **Reduced labor and overhead:** A fully automated, digital process eliminates the need for 20-60 minutes of manual data entry. Automation also reduces errors, meaning less time is wasted on avoidable rejections. Enrollment processors only handle applications if a piece of data triggers a manual review, and once any issues are resolved, the application can return to the automated process.
- ⇒ **Seamless verification of eligibility:** A real-time Beneficiary Eligibility Query (BEQ)/Beneficiary on the Cloud (BIC) Application Programming Interface (API) at the point of sale supports eligibility verification, including subsequent determination of the correct election period for members.
- ⇒ **Automated member correspondence:** CMS regulations govern exactly when letters related to the enrollment process and eligibility must go out to members. BEM ensures that health plans are compliant with these requirements and creates an audit trail.
- ⇒ **Production and membership reporting:** No more overhead for analysts to query data. Instead, ad hoc and custom reports are available to help understand health plan performance and compliance clearly.
- ⇒ **Timely, automated enrollment processing:** By interacting directly with CMS for real-time updates, BEM allows seamless compliance and the ability to determine eligibility with high accuracy. This means same-day completion of applications, even the ones captured from sources like health plan member portals and broker websites. Applications received today are confirmed with CMS tomorrow on the Daily Transaction Reply Report (DTRR).
- ⇒ **A view into sales performance:** Standard reports for performance management are included, so plans can monitor sales agents' applications and performance, including commissions.
- ⇒ **Support for sales and marketing decisions:** BEM can track actual net enrollment-to-plan, giving health plans a head start on adjusting to market conditions and increasing sales & marketing activity.

All of these features are integrated with downstream systems and share full Medicare membership updates automatically, connecting the health plan's core membership systems and Beacon's full digital suite of solutions for health plans who purchase them. This includes Appeals and Grievances and Compliance management solutions. The days of confusing, fragmented data systems not built for the specific needs of health plans are over.



## A Unique Enrollment Solution That Simplifies the Process

Beacon Enrollment Manager offers health plans a superior software product and digitizes the enrollment process from end-to-end. Because it is designed with real-time features, processing enrollments becomes an efficient task, no longer burdened by complex and costly workflows and compliance issues.

By offering 100% automated enrollment and membership processing and game-changing technology that interfaces directly with CMS and all downstream systems, BEM leads to exponential improvement in ROI. These savings allow health plans to invest in other value-based care initiatives that further improve reimbursement.

To find out how BEM can become part of your MA and Part D process in as little as three to four months, inclusive of training and implementation, [contact us](#) today.