
42 C.F.R. § 422.384

Financial plan requirement.

(a) *General rule.* At the time of application, an organization must submit a financial plan acceptable to CMS.

(b) *Content of plan.* A financial plan must include—

(1) A detailed marketing plan;

(2) Statements of revenue and expense on an accrual basis;

(3) Cash-flow statements;

(4) Balance sheets;

(5) Detailed justifications and assumptions in support of the financial plan including, where appropriate, certification of reserves and actuarial liabilities by a qualified actuary; and

(6) If applicable, statements of the availability of financial resources to meet projected losses.

(c) *Period covered by the plan.* A financial plan must—

(1) Cover the first 12 months after the estimated effective date of a PSO's MA contract; or

(2) If the PSO is projecting losses, cover 12 months beyond the end of the period for which losses are projected.

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