

Re-determining Eligibility for People Who Qualify for Low-Income Subsidy Automatically

Re-Determination of LIS Deemed Status

During the summer, CMS began determining individuals as automatically eligible for the Low Income Subsidy (LIS) for calendar year 2010 based on monthly data from State Medicaid Agencies and SSA. Individuals are deemed eligible for the calendar year, or what remains of it if they newly qualify mid-year. As of June 2009, more than 8 million people qualify for LIS automatically. This summer, CMS determined if individuals who automatically qualified (were deemed eligible) for LIS in calendar year 2009 automatically qualified for LIS in 2010. If they are no longer a full-benefit dual eligible, partial dual eligible (Medicare Savings Program participant), or Supplemental Security Income (SSI) recipient, their LIS will end on December 31, 2009.

This September, individuals who no longer qualified for LIS automatically in 2010 received, in one mailing, a letter from CMS explaining this loss of LIS and an SSA application to complete and return in an enclosed postage-paid envelope. Separately, CMS has notified by mail individuals who will continue to qualify automatically in 2010 but will have a change in their copayment level between 2009 and 2010 (e.g. from \$0 in 2009 to \$2.50/\$6.30 in 2010). Those individuals who continue to qualify for LIS in 2010 at the same level will not receive a letter.*

It is important to note that in the event that an individual who we had notified as losing his or her LIS in 2010 becomes newly eligible for Medicaid or SSI in future months, CMS will mail them a new letter informing them that they now automatically qualify for LIS.

Key Dates

Re-determination of deemed status will occur beginning in July. Key dates surrounding this process are outlined below:

- **Late May/Early June**: CMS communicates to States on criticality of State files for LIS re-deeming.
- **July**: State files begin to identify full and partial duals.
- **Early August**: CMS re-deems beneficiaries for 2010 (using state data beginning in July)
- **Mid/Late August**: SSA sends file of SSI recipients to CMS.
- **Early September**: CMS notifies States which of their full and partial duals will receive the notification that they are losing LIS for 2010
- **Mid-September**: Beneficiaries who are losing their LIS are notified by mail
- **Early October**: Beneficiaries who will experience a change in their copayment level are notified by mail
- **January 1, 2010**: Changes in LIS take effect.

* For a complete list of CMS, SSA and plan mailings in fall and summer 2009, see <http://www.cms.hhs.gov/LimitedIncomeandResources/Downloads/2009Mailings.pdf>