The Limited Income Newly Eligible Transition (LI NET) Program

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What is LI NET?

A new CMS program that combines, and improves upon, CMS’ existing Auto-Enrollment process for Full Duals and SSI-only beneficiaries and Point-of-Sale Facilitated Enrollment (POS FE) process for all Low-Income Subsidy (LIS) eligible beneficiaries.

The LI NET Program will provide Part D prescription drug coverage for:
1. All uncovered Full Duals and SSI-only beneficiaries on a retroactive basis; and
2. All uncovered LIS eligible beneficiaries on a current basis.

The LI NET Program will be operated by Humana, Inc. on behalf of CMS.
## Process Improvements
### How will Auto-Enrollment Change?

<table>
<thead>
<tr>
<th></th>
<th>Current Process</th>
<th>LI NET Process</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Eligibility</strong></td>
<td>FBDE and SSI-Only beneficiaries identified by states or the POS contractor</td>
<td>No Change</td>
</tr>
<tr>
<td><strong>Enrollment</strong></td>
<td>Randomly enrolled into one of 300+ plans <em>retroactively</em></td>
<td>Enrolled into ONE plan, LI NET, for temporary coverage and into a random plan <em>prospectively</em></td>
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<tr>
<td><strong>Effective Date</strong></td>
<td>Retroactive Effective Date: start of full dual status or last uncovered month, whichever is later</td>
<td>No Change</td>
</tr>
<tr>
<td><strong>Benefit Design</strong></td>
<td>Complex: Different plan formularies and rules apply in retroactive period</td>
<td>Simple: One plan with an open formulary, no prior authorization requirement, network pharmacy restrictions or timely filing deadlines</td>
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</tbody>
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## Process Improvements

**How will POS FE Change?**

<table>
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</thead>
<tbody>
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<td><strong>Eligibility</strong></td>
<td>All LIS eligible beneficiaries</td>
<td>No Change</td>
</tr>
<tr>
<td><strong>Enrollment</strong></td>
<td>Temporary Coverage through Contractor and randomly enrolled into one of 300+ plans retroactively</td>
<td>Enrolled into LI NET as a result of POS and into a random plan prospectively</td>
</tr>
<tr>
<td><strong>Effective Date</strong></td>
<td>Up to 90 days retroactive coverage</td>
<td>• Up to 36 months for FBDE/SSI (or longer if recent Medicaid determination)</td>
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<td></td>
<td></td>
<td>• Up to 30 days for PBDE/LIS Applicants</td>
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<tr>
<td></td>
<td></td>
<td>• Up to 7 days for Unconfirmed Beneficiaries (no LIS on CMS’ systems)</td>
</tr>
<tr>
<td><strong>Benefit Design</strong></td>
<td>No plan restrictions except for safety and abuse edits</td>
<td>No Change</td>
</tr>
<tr>
<td></td>
<td>Exceptions Requests through CMS Caseworkers only</td>
<td>Eligibility Reviews may be requested by anyone</td>
</tr>
</tbody>
</table>
Eligibility

Who can use LI NET?

All LIS Eligibles, including:

- **Full-benefit dual eligible beneficiaries**: those with Medicare and full Medicaid benefits, i.e., QMB Plus, SLMB Plus
- **SSI-only beneficiaries**: those with Medicare who receive Supplemental Security Income (SSI) but do not have Medicaid
- **Partial-benefit dual eligible beneficiaries**: those with Medicare who qualify for Medicare Savings Programs (MSP) but not full Medicaid, i.e., QMB Only, SLMB Only and QI
- **LIS Applicants**: those who have applied for, and have been awarded, the LIS through SSA or their state
Eligibility
Who can use LI NET? (cont.)

Who also:

- Have a valid Health Insurance Claim Number (HICN)
- Are Part D eligible
- Are not enrolled in a Part D plan
- Are not enrolled in an RDS plan
- Are not enrolled in a Part C plan which does not allow concomitant enrollment in a Part D plan
- Have not opted out of auto-enrollment
- Have a permanent address in the fifty States or DC
Enrollment

How does a beneficiary access LI NET?

One of three ways:

1. Auto-Enrollment by CMS
   - CMS has performed Auto-Enrollment of Full Duals on a daily to monthly basis since the start of the Part D Program. CMS will continue to generate Auto-Enrollments, but into the LI NET Program only.

2. POS Use
   - A beneficiary presents at the pharmacy with an immediate prescription drug need

3. Submitting a receipt
   - For prescriptions already paid for out-of-pocket during eligible periods
Effective Date for Auto-Enrollment

- Full Duals and SSI-only beneficiaries will have an enrollment effective date of the first day of full dual status or the last uncovered month, whichever is later
- Partial Duals and LIS Applicants will not be automatically enrolled into the LI NET Program
Effective Date for POS Coverage

Retroactive Coverage for Full Duals

- Coverage **between 30 days and 36 months** prior to date of submission
- Exception to the 36-month rule: beyond 36 months for those who had a recent Medicaid determination (within 90 days) with an effective date greater than 36 months in the past, as far back as 1/1/06
- Only Full Duals and SSI-Only beneficiaries are eligible for retroactive coverage
Effective Date for POS Coverage
Current Coverage for All LIS Eligibles

- Coverage up to **30 days** prior to the POS date of submission.
- All LIS Eligibles are eligible for current coverage.
- Partial Duals and LIS Applicants are **only** eligible for current coverage.
Effective Date for POS Coverage

Immediate Coverage for Unconfirmed Beneficiaries

- Unconfirmed beneficiaries are those who show evidence of Medicaid or LIS eligibility to the pharmacy at POS, but for whom there is no evidence of Medicaid or LIS eligibility in CMS’ systems.
- Coverage up to 7 days prior to the date of submission of the claim to LI NET.
- Unconfirmed beneficiaries will undergo a back-end eligibility verification through state EVS systems.
- If beneficiary is determined to be ineligible, he/she is responsible for cost of claim(s) unless he/she can provide proof of eligibility to the LI NET Program using BAE.
Effective Date of Coverage for Beneficiary Receipts

- Same limits as for POS coverage
  - Up to 36 months retroactive coverage (or further for those with recent Medicaid determination) for Full Duals and SSI-only beneficiaries
  - Up to 30 days current coverage for other LIS Eligibles
- Date received by LI NET Program or date of fax will be considered “date of submission” for determining start of 36 month or 30 day coverage period
Prospective Enrollment into Standard Part D Plan

- Prospective enrollment effective date will be first day of the month after the month that follows enrollment into LI NET.
- All LIS Eligibles will be enrolled on a random basis into a PDP with a premium amount at, or below, the LIS premium subsidy amount.
- Prospective enrollment will occur regardless of how the beneficiary initially accessed the LI NET Program.
Benefit Design

- For all LI NET beneficiaries, whether Enrollees, POS or Receipt beneficiaries, the benefit is the same:
  - open formulary (Part D covered drugs)
  - no Prior Authorization required
  - no network pharmacy restrictions

- There are standard safety and abuse edits such as “refill too soon” or “therapy duplication”
Benefit Design
For Enrollees Only

- No timely filing deadlines for periods of enrollment in LI NET
- Claims/receipts may be submitted to LI NET Program up to 180 days after disenrollment from LI NET
Benefit Design
For Those Without an Enrollment in LI NET
(POS/Receipt Beneficiaries Only)

Eligibility Reviews
1. For claims denied at POS as ineligible
2. For claims determined to be ineligible by the LI NET Program upon back-end verification with state systems
3. For receipts submitted by beneficiaries that were rejected as ineligible

Up to two requests for review per claim
- May be written or oral requests, but proof must be written

Contractor shall make a determination and notify the requestor within 7 days of the request

Enrollees are not granted eligibility reviews because they are already entitled to standard Part D plan enrollee rights including coverage determinations
RECAP

What is LI NET?
- CMS Part D Program that provides retroactive coverage for full duals and SSI-only beneficiaries and current coverage for all LIS beneficiaries

How to access it?
- AE
- POS
- Receipts

Coverage?
- FD/SSI-only up to 36 months
- PD/LIS Apps up to 30 days
- Unconfirmed up to 7 days

Enrollment?
- Two in quick succession: one in LI NET for temporary coverage and one in Standard PDP for future coverage

Benefit?
- Open Formulary, No Prior Authorization, No Pharmacy Restrictions
- Standard PDP Rights for Enrollees, Eligibility Reviews for Non-Enrollees
Help?

Please send questions by e-mail to CMS at MedicareLINET@cms.hhs.gov

Effective 1/1/10, the LI NET Program can be reached at:
1-800-783-1307
1-877-801-0369 (TTY)
1-877-210-5592 (Fax)

The Medicare Limited Income NET Program
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