
CENTER FOR BENEFICIARY CHOICES

MEMORANDUM

TO: All Part D Plan Sponsors

FROM: Gary Bailey, Deputy Director

RE: Contingency Planning for the May 15 Initial Enrollment Period (IEP) Deadline

DATE: May 2, 2006

As we approach the end of the Part D initial enrollment period (IEP) on May 15, the Centers for Medicare and Medicaid Services (CMS) and its plan partners need to be prepared to deal with the anticipated increases in enrollment volume up to and through that date, in order to ensure that all new enrollees will be able to obtain prescription medications on June 1, 2006. We are continuing to stress the importance of enrolling as soon as possible, and urge beneficiaries not to wait until the last minute, and plans should continue to emphasize these same messages in their marketing materials, call center scripting, and website information. At the same time, though, we are taking several steps to deal with the likelihood of a last-minute surge in enrollment requests, including operating additional 1-800-MEDICARE call center sites through the May 15 enrollment deadline and having our call center staff working overtime on May 15 through 3 a.m. EDT to accept enrollments. This memorandum and the attachment explain our expectations of Part D plans in working with CMS to meet this challenge.

In preparation for the end of the IEP on May 15, we expect Part D Plans to:

- Implement procedures to accommodate the following two temporary policy changes associated with the end of the IEP, as detailed in the attachment:
 - Accept all mailed applications postmarked on or before May 15.
 - Consider incomplete applications received by May 15 to be complete for purposes of meeting the enrollment deadline.
- Accommodate all beneficiary enrollment requests through midnight on May 15, 2006, such as by operating call centers through that time or directing callers to www.medicare.gov or 1-800-MEDICARE to enroll.

- Ensure that call center and website capabilities are sufficient to meet expected increased call volume and website traffic.
- Review call center scripts and update them as needed to reflect anticipated May 15 workload.
- Track any beneficiaries waiting in telephone queues after the midnight, May 15 deadline and capture information needed to follow-up with beneficiaries to process their application (e.g., name, phone number, address, HICN).
- Alert your Part D account managers immediately of any unforeseen problems or delays in accepting enrollments (whether by mail, phone, or plan website) and describe the nature of the delay, its estimated duration, and any other pertinent information.
- Submit enrollments as early in May as possible, and on a flow basis, rather than waiting until the end of the month, as this will likely cause delays for beneficiaries at the pharmacy. Once an enrollment is confirmed, plans should immediately send 4Rx information to CMS.
- Send beneficiary acknowledgement notices, including the 4Rx information needed for a pharmacist to process a prescription, by no later than May 31, 2006. If necessary, plans are expected to institute expedited acknowledgement notification measures, including using priority mail or contacting the beneficiary by phone.
- By June 1, remind network pharmacies to be prepared to accept alternative documentation of enrollment (e.g., acknowledgement letter), when an enrollee does not have an ID card.
- Adhere to transition policies and staff provider technical assistance lines at levels commensurate with the anticipated exceptions and appeals workload

CMS is pleased to be working with you to implement the Part D Prescription Drug Benefit. We appreciate your cooperative spirit and remain committed to working with plans to ensure that beneficiaries have access to Part D drugs at all times. If you have any questions about these requirements, please contact your account manager.

Attachment: Enrollment Guidance for Medicare Advantage Organizations and PDP Sponsors

Deadline for Enrollments

The Initial Enrollment Period (IEP) for Part D and the Annual Election Period (AEP) both end on May 15, 2006. Generally, only requests received by the plan as of that date will be accepted. CMS' guidance for accepting enrollments for the May 15 deadline is outlined below.

- For requests sent by mail, the receipt date is the date the application is received by the plan. In addition, CMS is establishing a one-time exception to this requirement to allow applications received after May 15 but with a postmark of May 15 or earlier to be considered received on May 15. Plans must document the receipt date based on the postmark as they would any receipt date, but are not expected to retain envelopes.
- For requests made to/submitted to sales agents, including brokers, the receipt date is the date the agent/broker receives (accepts) the enrollment request. Consistent with CMS' Marketing Guidelines, receipt by the agent or broker employed by the plan, whether directly, or through a contractor, is considered receipt by the plan
- For requests accepted by approved telephonic enrollment mechanisms, the receipt date is the date of the call. The call must have followed the approved script, included a clear statement that the individual understands he or she is requesting enrollment, and have been recorded.
- For enrollment requests made via the Medicare.gov Online Enrollment Center (OEC), the receipt date is the date CMS "stamps" on the enrollment request at the time the OEC process is completed. This is true regardless of when a plan ultimately retrieves or downloads the request. **Note:** In order to accommodate beneficiaries who reside in later time zones, CMS is requiring plans to accept enrollments from the OEC "stamped" through midnight on May 15 local time based on the beneficiary's residence. Since the OEC date "stamp" is based on Pacific Daylight Time (PDT), plans must take this into account when accepting enrollments from beneficiaries in later time zones, as shown below:
 - At 11:59 p.m. in Alaska on May 15, 2006, it will be 12:59 a.m., May 15, 2006 at the OEC.
 - At 11:59 p.m. in Hawaii on May 15, 2006, it will be 2:59 a.m., May 15, 2006 at the OEC.
 - At 11:59 PM in American Samoa on May 15, 2006, it will be 3:59 a.m., May 16, 2006 at the OEC.
- For internet enrollment requests made directly to plan websites, the receipt date is the date the request is completed through the plan's website process. **Note:** As with enrollments received through the OEC, plans are required to accept enrollments through their website through midnight, local time, May 15, based on the beneficiary's place of residence. This is true regardless of when a plan ultimately retrieves or downloads the request; however, we expect plans to download these requests on an ongoing basis in the days leading up to and through the May 15 deadline.

- CMS will accept enrollment transactions after May 15, provided that their application date is May 15 or earlier. However, it is in plans' best interest to submit enrollments as early in May as possible, and on a flow basis, rather than waiting until the end of the month, as this will likely cause delays for beneficiaries at the pharmacy.

In addition to these specific exceptions, CMS may allow requests received after these times to be processed on a case-by-case basis, where there are unforeseen delays or problems in accepting enrollments, either by the plan or CMS.

Handling Incomplete Requests

Generally, CMS' guidance stipulates that, if a plan receives an incomplete enrollment request, the plan must contact the beneficiary to required missing information, and the date that the additional information is submitted becomes the date the application is "received." However, as a one-time exception to this requirement, plans should consider incomplete IEP or AEP enrollment requests received through May 15, 2006 as "received and complete" on May 15, 2006, as long as the necessary information is received by May 22, 2006. Thus, plans must immediately contact the beneficiary to obtain any missing or incorrect information necessary for completing the enrollment. If information needed to complete the enrollment is received after May 22, 2006, the IEP or AEP enrollment request must be denied.

Reminder: Open Enrollment Period for Medicare Advantage (MA) Plans

The Medicare Advantage Open Enrollment Period (MA-OEP) continues through June 30, 2006. This period provides a single opportunity to enroll into or disenroll from an MA plan, but cannot be used to add or drop Medicare prescription drug coverage. The table below describes possible MA-OEP election options:

If current coverage is	Can use OEP to get	Cannot use OEP to get
Medicare Advantage with prescription drug coverage (MA-PD)	MA-PD or Original Medicare + PDP	MA-only or Original Medicare only
Medicare Advantage with no prescription drug coverage (MA-only)	MA-only or Original Medicare only	MA-PD or Original Medicare + PDP
Original Medicare and a prescription drug plan (PDP)	MA-PD	MA-only or A different PDP to use with Original Medicare
Original Medicare only	MA-only	MAPD or Original Medicare + PDP

Please refer to the CMS enrollment guidance appropriate to your plan type for additional information on enrollment periods, limitations and effective dates.