

Today's Topics

- CMS strategies and objectives for 2010
- Overview of prescription drug coverage
- People with changes in 2010
 - Audiences
 - Target messages
 - Actions
- Resources

CMS Strategies

- Annual enrollment period begins November 15
- Year-round efforts to reach people with low-income
- Some will have changes for 2010
 - LIS eligibility
 - Plan enrollment
- CMS specific focus
 - Those potentially eligible for LIS
 - Those with LIS who face changes in 2010 premiums
- July 2009 documents to states/plan describes our plans

Prescription Drug Costs

- Costs vary by plan
- Standard Benefit
 - Monthly premium (varies by plan)
 - Deductible (\$ 310 in 2010)
 - Copayments or coinsurance
 - Very little after (\$4550 out-of-pocket in 2010)
- Extra help for people with limited income and resources

Extra Help

- Eligibility determined by SSA or state
- Some groups are automatically eligible (deemed)
 - People with Medicare and
 - Medicaid
 - Supplemental Security Income only
 - Medicare Savings Programs
- Everyone else must apply (applicants)
 - Eligibility determined by SSA

Costs for Those With Extra Help

- Deemed –
 - Full Subsidy
 - People with lowest income and resources
 - Pay no premiums or deductibles
 - Have small or no copayments

Costs for Those With Extra Help

- Applicants –
 - Full Subsidy
 - Income up to 135% of poverty and low resources
 - No premiums or deductibles
 - Have small copayments
 - Partial Subsidy
 - People with slightly higher income and resources
 - Have sliding scale premiums based on income
 - Have a reduced deductible (\$63 in 2010)
 - Pay a little more out of pocket (15% coinsurance)

Reviewing Eligibility for LIS

- CMS re-establishes eligibility each fall
 - Deemed population only
 - Extra help continued or changed
 - Based on continued eligibility
- Changes effective January 1
- Those automatically eligible for 2010
 - Continue to qualify through December 2010
- People no longer eligible
 - Automatic status will end December 31, 2009

Those with LIS Changes

- CMS notifies deemed population:
 - No longer qualify for LIS
 - Change in extra help copayment
- SSA notifies applicant population:
 - Selected for review by SSA

No Longer Qualify for LIS

- CMS letter in September
 - GREY PAPER
 - No longer automatically qualify for LIS
 - As of January 1, 2010
 - Application for extra help
- Action
 - Apply for extra help
 - Social Security Administration
 - Or
 - State Medical Assistance (Medicaid) office

Change in Copayment

- CMS letter in early October
 - ORANGE PAPER
 - Continue to qualify for extra help in 2010
 - Copayment levels change January 1, 2010
- Action
 - Keep the notice
 - No action if information is correct

Selected for Review by SSA

- Social Security letter in September
 - Form 1026
 - “Income and Resources Summary” sheet
- Action
 - Return enclosed form within 30 days or extra help may terminate

Reassigning to New PDP

- Each fall, CMS reassigns LIS beneficiaries with 100% premium subsidy to a new PDP for beneficiaries whose:
 - PDP is terminating
 - PDP premium is increasing above the LIS benchmark premium
 - PDP is converting to an enhanced benefit plan (as opposed to remaining a basic plan)

How CMS Reassigns

- Attempt to find another plan
 - Within same organization to promote continuity
 - With no premium liability
- If the same organization does not offer a zero premium PDP option, the beneficiary is reassigned randomly to another region-specific PDP with a zero premium
 - Reassigned to a plan below LIS benchmark

Plan Terminating

- CMS letter in late October
 - **BLUE PAPER** version 1
 - Current plan is leaving the Medicare Program
 - Reassigned to new plan effective January 1, 2010
 - Unless they join a new plan by December 31, 2009
- Action
 - Keep the notice
 - Compare new 2010 plan with others
 - Can choose to change plans

Premium Increase

- CMS letter in late October
 - **BLUE PAPER version 2**
 - Current plan premium is increasing above the LIS benchmark or converting to an enhanced benefit plan
 - Reassigned to new plan effective January 1, 2010
 - Unless they join a new plan by December 31, 2009
- Action
 - Keep the notice
 - Compare new 2010 plan with others
 - Can choose to change plans

“Choosers”

- CMS LIS letter in October
 - TAN PAPER
 - Sending notifications to all choosers who have selected a plan with a premium above the LIS benchmark in 2010, regardless of whether the premium is increasing, decreasing, or remaining the same for 2010. This notification will inform beneficiaries of the following:
 - Their premium liability
 - LIS benchmark plans available in their region
 - will conduct outreach
 - Will not reassign

“Choosers”

- Action
 - May want to look for a new plan
 - Compare current plan with others
 - Can choose to change plans
 - Late November is best time (the earlier the better)

Important Dates

Early September	SSA mails redetermination letters to certain LIS applicants
Mid September	GREY LETTER mailed to those losing deemed status
Mid October	ORANGE LETTER to those deemed for LIS for next year, but copayment will change
Late October	BLUE REASSIGNMENT LETTERS mailed
Late October	TAN CHOOSERS letter mailed

Questions

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