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**DATE:** November 7, 2014

**TO:** Renewing Medicare Advantage Dual Eligible Special Needs Plans in California that Also Offer a Medicare-Medicaid Plan

**FROM:** Arrah Tabe-Bedward  
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**SUBJECT:** Special Instructions for Processing Reinstatements and Disenrollments for Demonstration Eligible Individuals who Opt Out of Cal MediConnect

The California Department of Health Care Services (Medi-Cal) is partnering with the Centers for Medicare & Medicaid Services (CMS) in operating a demonstration under the CMS Financial Alignment Initiative to integrate care and financing for individuals eligible for both Medicare and Medicaid, also known as dual eligible individuals. The demonstration is known as “Cal MediConnect.”

In accordance with your 2015 Medicare Improvements for Patients and Providers Act (MIPPA) contract with Medi-Cal, demonstration-eligible individuals are not eligible to remain enrolled in your Medicare Advantage (MA) Dual Eligible Special Needs Plan (D-SNP) after December 31, 2014. In early October, Medi-Cal passively enrolled most demonstration-eligible individuals from your organization’s D-SNP into your organization’s Medicare-Medicaid Plan (MMP), effective January 1, 2015. Organizations processed these transactions and issued disenrollment notices as required in Chapter 2 of the Medicare Managed Care Manual.

**Processes for reinstatement for individuals who opt out of passive enrollment**

Under demonstration rules, individuals may opt out of passive enrollment. When they do so before the effective date of passive enrollment, Medi-Cal sends an enrollment cancellation notice to the beneficiary, and also submits a cancellation transaction to MARx, which will attempt to automatically reinstate the individual into his or her previous MA plan. That plan will receive a Transaction Reply Code (TRC) 287 (Enrollment Reinstated) via a Daily Transaction Reply Report (DTRR).

Normally, per section 60.3 of Chapter 2, organizations must send a reinstatement notice (Exhibit 25a – Model Acknowledgement of Reinstatement) within 10 calendar days of the DTRR. However, **D-SNPs whose organizations also offer MMPs are instructed to suppress this notice**, as these individuals may not remain enrolled in these D-SNPs past December 31, 2014. This instruction applies to all reinstatement transactions (TRC 287) the D-SNP receives for this group of

individuals on or after the date of this memorandum. If a D-SNP has received a TRC 287 but has not yet sent the reinstatement notice, it should suppress the notice if it is able to do so.

**Process for disenrolling demonstration-eligible individuals from the D-SNP**

The D-SNPs referenced above must submit disenrollment transactions and related notifications for demonstration-eligible individuals who remain enrolled in the plan as of December 31, 2014. This includes individuals who--

- Opted out of passive enrollment and were reinstated into the D-SNP; or
- Were excluded from passive enrollment but who nevertheless are no longer eligible to be enrolled in the D-SNP after 2014.

For those reinstated due to opting out of passive enrollment, D-SNPs should submit Transaction Code (TC) 51 within 10 days of receiving TRC 287. For cases where the D-SNP received TRC 287 more than 10 days ago, the plan should submit TC 51 within 10 days of this memorandum. The source plan for the reinstatement can be found on the DTRR along with the TRC 287 in the “Source ID” field in positions 116-120. If the Source ID corresponds to an MMP, the disenrollment is necessary.

For individuals who were not included in the passive enrollment transactions submitted by Medi-Cal, D-SNPs should submit the disenrollment transaction (TC 51) within 10 days of this memorandum.

Due to the unique nature of this involuntary disenrollment, CMS has provided a model notice for use. D-SNPs should send the attached model disenrollment notice within 10 days of receiving the TRC 013.

**Information provided to individuals who opt out of passive enrollment**

The enrollment cancellation notice from Medi-Cal states that reinstated individuals can expect to receive confirmation of the reinstatement from their D-SNP. Since that reinstatement notice will not be sent as of the date of this memorandum, as described above, attached are scripts for your CSRs to use if they get questions about the reinstatement into or disenrollment from your plan.

For technical questions pertaining to this notification, please contact the MMA Help Desk at 1-800-927-8069 or via e-mail at: [mmahelp@cms.hhs.gov](mailto:mmahelp@cms.hhs.gov). For questions related to policy or the demonstration, please contact the Medicare-Medicaid Coordination Office at [mmcocapsmodel@cms.hhs.gov](mailto:mmcocapsmodel@cms.hhs.gov).

Attachments:

- (1) Scripts
- (2) Model disenrollment notice

## ATTACHMENT 1 – SCRIPTS

### Reinstatement:

**I was told that I'd be put back into my plan, but I haven't received a confirmation. Am I back in your plan?**

The California Department of Health Care Services, also called Medi-Cal, submitted your cancellation. You have coverage in our plan for the remainder of 2014. However, our plan won't be offered to people with your type of Medi-Cal in 2015. This means that you can't stay in our plan after December 31, 2014. You won't have health or drug coverage through our plan starting January 1, 2015. [*Insert if appropriate:* If you currently pay a reduced Part B premium you will lose this benefit effective January 1, and will have the full Part B premium deducted from your monthly Social Security check.]

You have options on how to get your Medicare coverage. You can choose to sign-up for another Medicare health plan or Cal MediConnect Plan offered in your area. Or, you can change to Original Medicare and choose a Medicare prescription drug plan. If you don't take action by December 31, Medicare will choose a new drug plan for you and you'll have Original Medicare starting January 1, 2015.

For information on plans available in your area, visit Medicare.gov or refer to your Medicare & You 2015 Handbook for a list of all Medicare health and prescription drug plans in your area. If you want to join one of these plans, call the plan to get information about their costs, rules, and coverage. You can also call 1-800-MEDICARE (1-800-633-4227). This toll-free help line is available 24 hours a day, 7 days a week. TTY users should call 1-877-486-2048.

### Disenrollment:

#### **Why am I being disenrolled from your plan?**

Our plan won't be offered to people with your type of Medi-Cal in 2015. This means that you can't stay in our plan after December 31, 2014. You won't have health or drug coverage through our plan starting January 1, 2015. [*Insert if appropriate:* If you currently pay a reduced Part B premium you will lose access to this benefit effective January 1, and will have the full Part B premium deducted from your monthly Social Security check.]

You have options on how to get your Medicare coverage. You can choose to sign-up for another Medicare health plan or Cal MediConnect Plan offered in your area. Or, you can change to Original Medicare and choose a Medicare prescription drug plan. If you don't take action by December 31, Medicare will choose a new drug plan for you and you'll have Original Medicare starting January 1, 2015.

For information on plans available in your area, visit Medicare.gov or refer to your Medicare & You 2015 Handbook for a list of all Medicare health and prescription drug plans in your area. If you want to join one of these plans, call the plan to get information about their costs, rules, and coverage. You can also call 1-800-MEDICARE (1-800-633-4227). This toll-free help line is available 24 hours a day, 7 days a week. TTY users should call 1-877-486-2048.

**ATTACHMENT 2 – MODEL NOTICE TO DEMONSTRATION-ELIGIBLE BENEFICIARIES  
IN SPECIFIED CALIFORNIA DUAL SNPS FOR WHOM PLAN MUST SUBMIT  
DISENROLLMENT TRANSACTION**

**IMPORTANT NOTICE: Your coverage through <Plan Name> will end  
December 31, 2014.**

<Insert Date>  
<Member Name>  
<Member Address>

Dear <member name>,

Your Medicare plan won't be offered to people with your type of Medi-Cal in 2015. This means your coverage through <plan name> will end December 31, 2014. You should have already received a letter telling you about the decisions you need to make about your Medi-Cal coverage. The letter you're getting now is about decisions you need to make for your Medicare coverage. Because you have Medi-Cal, you can join or switch Medicare plans at any time. If you join a new Medicare plan AFTER December 31, your coverage in the new plan won't start until the month after you join.

**What's changing after December 31<sup>st</sup>?**

- You'll no longer be enrolled in <Plan Name>.
- You'll no longer get prescription drug coverage through <Plan Name>.
- If you don't take action by December 31, Medicare will choose a new drug plan for you and you'll have Original Medicare starting January 1, 2015.
- [*Insert if applicable:* If you currently pay a reduced Part B premium, you will lose access to this benefit effective January 1, and will have the full Part B premium deducted from your monthly Social Security check.]

**What do you need to do?**

You need to choose how you want to get your health and prescription drug coverage. Here are your options for **Medicare coverage**:

**Option 1: You can join a Cal MediConnect Plan offered by Medi-Cal.** These plans provide all your Medicare and Medi-Cal benefits.

**Option 2: You can join another Medicare health plan.** A Medicare health plan is offered by a private company that contracts with Medicare to provide benefits. Medicare

health plans cover all services that Original Medicare covers and may offer extra coverage such as vision, hearing, or dental. You can't join a Medicare health plan called a Dual Eligible Special Needs Plan because these plans aren't offered to people with your type of Medi-Cal in 2015.

**Option 3: You can change to Original Medicare.** If you do nothing, you'll be enrolled into Original Medicare. Original Medicare is fee-for-service coverage managed by the Federal government. If you choose Original Medicare, you can choose a separate Medicare prescription drug plan to get prescription drug coverage. If you don't sign up for a Medicare prescription drug plan on your own, Medicare will choose a plan for you.

## **Important Information:**

**If you have an employer or union group health plan, VA benefits, or TRICARE for Life,** contact your insurer or benefits administrator. Ask how joining another plan or returning to Original Medicare affects your coverage.

**If you have End-Stage Renal Disease (ESRD),** you have a one-time right to join a new Medicare health plan. Keep a copy of this letter as proof of your right to join a new Medicare health plan.

**For questions about Medi-Cal and Cal MediConnect,** contact Health Care Options at 1-844-580-7272 (TTY users should call 1-800-430-7077). Ask how joining another plan or returning to Original Medicare affects your Medi-Cal coverage.

## **Get help comparing your options**

It's important to find a plan that covers your doctor visits and prescription drugs.

Please visit [Medicare.gov](http://Medicare.gov) or refer to your Medicare & You 2015 Handbook for a list of all Medicare health and prescription drug plans in your area. If you want to join one of these plans, call the plan to get information about their costs, rules, and coverage. Please note Medicare isn't part of the Health Insurance Marketplace you may have been hearing about. Following the instructions in this letter will ensure that you are reviewing Medicare plans and not Marketplace options.

You can also get help comparing plans if you:

- **Call California Health Insurance Counseling & Advocacy Program (HICAP) at 1-800-434-0222.** Counselors are available to answer your questions, discuss your needs, and give you information about your options. All counseling is **free**. TTY users should call 711.
- **Call 1-800-MEDICARE (1-800-633-4227).** Tell them you got a letter saying your plan isn't going to be offered next year and you want help choosing a new plan. This toll-free help line is available 24 hours a day, 7 days a week. TTY users should call 1-877-486-2048.

- **Visit Medicare.gov.** Medicare’s official web site has tools that can help you compare plans and answer your questions.
  - **Click** “Find health & drug plans” to compare the plans in your area.

If you need more information, please call us at <phone, TTY, hours of operation>. Tell the customer service representative you got this letter.

<Plans may include language thanking the beneficiary for their membership and/or apologizing for any inconvenience>

Sincerely,

<Signature>

[Federal contracting statement]

[Material ID]