

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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CENTER FOR BENEFICIARY CHOICES

April 12, 2006

To: Prescription Drug Plans
Medicare Advantage Plans
1876 Cost Plans
PACE Organizations

From: Randy Brauer, Acting Director
Division of Enrollment and Eligibility Policy
Medicare Enrollment and Appeals Group

Subject: Corrections to February and March Auto-Enrollments That Inadvertently
“Trumped” a Beneficiary Election into Another Plan

In recent Part D User Group calls, CMS has described a problem with processing auto-enrollments for full-benefit dual eligibles where, in a small percentage of cases, the auto-enrollment transaction inadvertently “trumped” beneficiary elections. This occurred in both the February and March auto-enrollments, and resulted in the beneficiary being disenrolled from the plan she/he elected retroactive to January 1. The underlying technical issues have been corrected so this should not occur in the April auto-enrollment processing.

Corrections for March Auto-Enrollments

CMS will send a special Transaction Reply Report (TRR) on April 12 to notify the plans the beneficiaries originally elected that these beneficiaries have been re-instated. Another special TRR will be sent to the PDPs to whom these beneficiaries were inadvertently auto-enrolled to inform them that these enrollments have been cancelled. The effective date will be identified on the TRR, and will be retroactive to the effective date of the erroneous disenrollment from the plan the beneficiary had originally elected. Plans must process this TRR and update their systems accordingly.

Plans are required to take the following actions in response to the special TRRs:

- PDP who inadvertently received these beneficiaries as auto-enrollees must disenroll the beneficiaries from their systems. No additional communication to the beneficiary is required.
- The MA plan, 1876 cost plan, PACE organization, or PDP that the beneficiary originally elected, and to which the beneficiary is being re-instated, must contact these

beneficiaries, and inform them they may have received material from another plan in error and that the beneficiary's enrollment is still effective in their plan. We strongly recommend that plans make this contact by phone, as it is the most expeditious means of accomplishing this notification.

Instructions for February Auto-Enrollment

Beneficiaries inadvertently disenrolled from plans they elected by a February auto-enrollment were included in the enrollment reconciliation process. That process should restore most of the affected beneficiaries to the plan they originally elected. Plans are not required to take any further action at this time. If additional beneficiaries affected by this error contact plans after the April 15 deadline for submitting the enrollment reconciliation file, plans should submit a retroactive enrollment through the normal process for doing so.

If you have any questions, please contact Sharon Donovan at (410) 786-2561, or Sharon.Donovan@cms.hhs.gov