



DATE: November 14, 2022

TO: All Prescription Drug Plan Sponsors, Medicare Advantage-Prescription Drug Plan Sponsors, and Medicare-Medicaid Plans serving California between January 2012 and January 2016

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SUBJECT: Part D Low-Income Subsidy Copayment Refunds for Beneficiaries who Received Home and Community-Based Services in California

The Centers for Medicare & Medicaid Services (CMS) alerted affected plans in January 2020 that the California Department of Health Care Services (DHCS), which administers the state Medicaid program (called Medi-Cal, determined that they had not correctly identified approximately 30,000 full-benefit dually eligible individuals as receiving home and community-based services (HCBS) on their monthly “MMA” file – a file submitted by state Medicaid agencies to CMS to identify dually eligible individuals. These individuals, who should have been charged \$0 co-pays for Part D covered drugs, were charged some level of copayments¹.

The issue was corrected for 2020 going forward, and refunds for 2017, 2018, and 2019 were handled by the affected plans. In the near future, CMS will issue refunds for the older plan years, as far back as 2012, by mailing checks to impacted individuals. These checks will be accompanied by a cover letter that explains the refund and directs individuals to 1-800-MEDICARE for any questions.

The population affected is primarily those who were enrolled in the HCBS program called the Community Based Adult Services (CBAS) statewide. In addition, in San Mateo County, additional individuals who received services through the HCBS program called Multipurpose Senior Service Program (MSSP) were impacted.

¹ [Part D Low-Income Subsidy Copayment Corrections for Beneficiaries Receiving Home- and Community-Based Services in California](#). January 29, 2020.

When Will Beneficiaries Receive Refund Checks?

CMS will issue refund checks along with a letter describing the reason for the check (see attachment) on or about November 23, 2022. CMS intends to issue refunds to about 15,000 individuals who were incorrectly charged copayments occurring between 2012 and 2016. Refunds will not have any impact on an individual's Medi-Cal eligibility, and they do not need to report the amount to their Medi-Cal caseworker.

Ensuring Customer Service Representatives are Prepared to Support Dually Eligible Enrollees

We recommend that plans equip their customer service representatives with call center scripts and resources to support current and former enrollees who are receiving a refund check. CMS will likewise share information with 1-800-MEDICARE and organizations to whom beneficiaries may turn for support, including the California Health Insurance Counseling and Advocacy Program (HICAP) (California's State Health Insurance Assistance Program (SHIP)).

Conclusion

We appreciate Part D sponsors' support to communicate and address any questions regarding refunds to affected current and former enrollees.

If you have any questions, please contact your CMS Account Manager.

Attachment – CMS Beneficiary Refund Letter

Attachment – CMS Beneficiary Refund Letter

<date>

<member name>

<address 1>

<city, state zip>

Refund of Part D Copayment

Dear <name>,

The Centers for Medicare & Medicaid Services (CMS) is sending you the enclosed refund check for <refund total> because, from January 2012 through January 2016, we had inaccurate information that caused you to be charged, and pay, copays in error for Medicare Part D covered prescription drugs. We have reviewed our records and added together all the copayments you were charged in error during this period. We are issuing you a full refund for the total amount of payments charged in error. We are sorry for any problems this may have caused.

Your refund will not impact your Medi-Cal eligibility, and you do not need to report the amount to your Medi-Cal caseworker.

If you have any questions about this refund, contact us at 1-800-MEDICARE (1-800-633-4227; TTY: 1-877-486-2048) within 60 days from receiving the letter.

If you have any questions about refunds for 2017 through the present, contact your Part D plan.

You have the right to get Medicare information in an accessible format, like large print, Braille, or audio. You also have the right to file a complaint if you feel you've been discriminated against. Visit [Medicare.gov/about-us/accessibility-nondiscrimination-notice](https://www.medicare.gov/about-us/accessibility-nondiscrimination-notice), or call 1-800-MEDICARE (1-800-633-4227) for more information. TTY users can call 1-877-486-2048.