

Medicare Prescription Drug Manual
Chapter 3 – Prescription Drug Plan Enrollment and Disenrollment
Summary of Updates - August 2011

Chapter Section	Update
Throughout Document	<ol style="list-style-type: none"> 1. Corrects general typos/edits, syntax, verb tense changes, etc. 2. Changes section references where appropriate 3. Adds references to coordinating sections, new model correspondence, other Manual Chapters and documents, where appropriate 4. Clarifies AEP dates, where necessary 5. Adjustments due to MARx Redesign & Modernization
Introduction	Clarifies effective dates for policy changes in this update
Table of Contents	<ol style="list-style-type: none"> 1. Reflects changes to section numbers as well as section deletions and additions 2. Changed to reflect correct page numbers
10	<ol style="list-style-type: none"> 1. Adds definitions for Good Cause, Part D-Income Related Monthly Adjustment Amount, Plan Performance Rating, and Receipt of Enrollment Request 2. Clarifies definition of authorized/legal representative
30	<ol style="list-style-type: none"> 1. Clarifies that plans must accept enrollments during established election period unless closed due to CMS-issued sanction 2. Clarifies that determination of election period eligibility is separate from determination of completion of enrollment or disenrollment request, and outlines requirements to make determination
30.2	Adds optional terminology for plans to use when describing the Annual Election Period to current and prospective enrollees
30.3	<ol style="list-style-type: none"> 1. Adds the requirement that organizations document and retain SEP eligibility the information if obtained orally “in person” 2. Clarifies process for plans to determine SEP eligibility
30.3.1	<ol style="list-style-type: none"> 1. Clarifies the SEP for changes in residence 2. Adds language regarding Late Enrollment Penalty for those who are involuntarily disenrolled
30.3.2	Clarifies SEP for when dual eligibles lose Medicaid eligibility
30.3.4	<ol style="list-style-type: none"> 1. Changes timeframe of the SEP for plan/contract non-renewals 2. Clarifies that plan consolidations are not considered non-renewals for the purpose of establishing eligibility for the non-renewal SEP
30.3.8	<ol style="list-style-type: none"> 1. Clarifies the timeframe of SEP for loss of SPAP eligibility 2. Clarifies the subsequent Part D SEP during the Medicare Advantage Disenrollment Period 3. NEW! - Adds SEP for individuals to enroll in plans with Plan Performance Rating of Five Stars
30.4	Adds that individuals eligible for EGHP and other enrollment periods will be assigned the EGHP effective date

	unless otherwise requested
40	Adds that MA organization must provide a notice of rejection with 10 calendar days if the plan uses combined acknowledgement/ confirmation notice
40.1.2	Adds that plans with CMS-approved online enrollment mechanisms can use a short enrollment form for current members
40.1.3	Clarifies that sales agent/broker may not be present on the phone while a beneficiary is conducting a telephonic enrollment request
40.2	Updates guidance regarding RRB premium withholding
40.2.1	Adjusts and clarifies policy regarding authorized representatives
40.2.2	Clarifies when an enrolment request is considered incomplete
40.4	Adds requirements regarding requests for premium withhold and informing new members when request is submitted after monthly cut-off for payment
40.4.1	Adds that plans must provide evidence to new members when enrollments are accepted over the phone (e.g.: confirmation number)
50	Clarifies that it is unnecessary for plan to send a disenrollment notice to a member whose PBP number changed because of a CMS-approved plan renewal
50.2	Adds non-payment of Part D-Income Related Monthly Adjustment Amount to involuntary disenrollment requirements
50.2.1.3	Clarifies the date of disenrollment for individuals whom the plan confirms are incarcerated
50.2.6	Adds a new section regarding involuntary disenrollments for failure to pay Part D-Income Related Monthly Adjustment Amount (includes information for cost plans with Part D supplemental benefit)
50.3.1	<ol style="list-style-type: none"> 1. Clarifies that plans must apply disenrollment procedures equitably among all members of the plan 2. Clarifies that plans may extend the grace period or eliminate the policy to disenroll for failure to pay during the calendar year 3. Adds plan requirements to notify member if their request for SSA or RRB premium withholding was processed after the monthly cut-off to submit premium withhold requests 4. Clarifies that plans may adjust their grace period to match the CMS initial grace period for Part D-Income Related Monthly Adjustment Amount 5. Clarifies that if notice for failure to pay premiums is undeliverable, the plan should implement its procedure for researching a potential change of address
60.1.1	<ol style="list-style-type: none"> 1. Clarifies that sponsors must document all contact with beneficiary during cancellation process regardless of personnel making the beneficiary contact. 2. Clarifies that an enrollment cancellation may occur after the effective date of enrollment if the cancellation is requested during the Outbound Education and Verification process.
60.1.1; 60.1.2; 60.2; 60.2.1; 60.2.2	Adds that plans are required to notify reinstated members within 10 days of reinstatement (Exhibit 25a)

60.1.3	Adds new section regarding when cancellation transaction is rejected by CMS
60.2	<ol style="list-style-type: none"> 1. Adds demonstration of good cause as a valid reason for reinstatement 2. modifies title for reinstatements based on new enrollment cancellation 3. Adds requirement to send notification of reinstatement and provides Exhibits 17 and 22a as model letters for such. 4. Adjusts procedures for responding to requests for reinstatement based on beneficiary cancellation of new enrollment and demonstration of good cause.
60.2.2	Modifies policy and procedures related to reinstatements based on beneficiary cancellation of new enrollment
60.2.3	Moves language addressing reinstatements due to plan error to its own section
60.2.4	<ol style="list-style-type: none"> 1. Adds new section regarding good cause determination and process 2. Clarifies that payment of past due amounts without favorable good cause determination does not result in reinstatement to the plan
60.4	<ol style="list-style-type: none"> 1. Adds instructions for enrollment requests that aren't transmitted to CMS timely 2. Clarifies the documentation required for processing retroactive disenrollments due to confirmation of incarceration start date
Appendix 1	<ol style="list-style-type: none"> 1. Adds Model Plan Selection Form for Switch From Plan to Plan Within Parent Organization (Exh. 1c) 2. Adds optional model notice to assist plans in determining disenrollment eligibility (Exh. 9a) 3. Removes prior model notice of Offer of Reinstatement of Beneficiary Services Pending Correction of Erroneous Status Due to Enrolling in Another PDP Organization (Exh. 17) 4. Adds notice of Offering Reinstatement of Beneficiary Services, Pending Correction of Disenrollment Status Due to Plan Error (now listed as Exh. 17) 5. Adds Notification of Involuntary Disenrollment by the Centers for Medicare & Medicaid Services for Failure to Pay the Part D-Income Related Monthly Adjustment Amount (Exh. 21a) 6. Adds Notice of Favorable Good Cause Determination – Notification of Premium Amount Due for Reinstatement (Exh. 21b) 7. Adds Confirmation of Reinstatement Per Notification From CMS (Exh. 22a)
Appendix 3	Clarifies application date for SPAPs during Annual Election Period
Exhibits Introduction	Clarifies changes acceptable to model notices submitted to CMS under the ten (10) day review period
General Changes to Exhibits	<ol style="list-style-type: none"> 1. Adds/Changes language regarding payment of Part D-Income Related Monthly Adjustment Amount, premium withhold requests, information regarding ESRD and requests for proof of authorized representatives to all model enrollment mechanisms 2. Changes language addressing premium withhold to refer to the Railroad Retirement Board (RRB) as well 3. Allows dual SNPs to omit the paragraph on Low Income Subsidy 4. Adds language regarding ability to make an election due to 5-star SEP 6. Adds language regarding availability of 1-800-MEDICARE

Exhibit 1a	1. Adjusts language for instances when the individual is unsure of which circumstance applies to him/her. 2. Adds field for enrollees who disenrolled from an MA plan during the MADP.
Exhibit 1c	NEW! - “Model Plan Selection Form for Switch From Plan to Plan Within Parent Organization”
Exhibit 7	Adds sentence at beginning if sponsor usually uses a combined acknowledgement/confirmation letter.
Exhibit 9a	NEW! – “Information to include on or with Disenrollment Form – Attestation of Eligibility for an Election Period”
Exhibit 11a	Adds clarification that individuals disenrolling from EGHPs need to contact their employer, not CMS
Exhibit 17	NEW! - “Model Notice to Offer Reinstatement of Beneficiary Services, Pending Correction of Disenrollment Status Due to Plan Error”
Exhibits 20; 21	Changes the process to request reinstatement from plan grievance process to good cause process
Exhibit 21a	NEW! - “Notification of Involuntary Disenrollment by the Centers for Medicare & Medicaid Services for Failure to Pay the Part D-Income Related Monthly Adjustment Amount”
Exhibit 21b	NEW! - “Model Notice on Favorable “Good Cause” Determination – Notification of Premium Amount Due for Reinstatement”
Exhibit 22	Changes language regarding direction for the beneficiary to call former plan to check enrollment status
Exhibit 22a	NEW - “Model Acknowledgment of Reinstatement After Cancelling a Request to Enroll in Another Plan or Reinstatement for Favorable “Good Cause” Determination”
Exhibit 32	1. Adds that beneficiaries will be automatically disenrolled from another (current) PDP plan if they enroll in an this PDP plan 2. Adds clarification that individuals disenrolling from EGHPs need to contact their employer, not CMS