

Auto/Facilitated Enrollment and Re-assignment

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Auto- and Facilitated Enrollment

- Auto-enrollment
- CMS enrolls full-benefit dual eligibles into Part D Plans
- Facilitated enrollment
 - **Others eligible for Low Income Subsidy (LIS)**
 - Partial duals (QMB-only, SLMB-only, QI) and SSI-only
 - Those who apply for LIS at SSA or State
- Similar process
 - **Different populations and effective dates**

Auto/Facilitated Enrollment – Who Performs

- CMS auto/facilitate enrolls beneficiaries into PDPs
 - Focus of this presentation
- Medicare Advantage (MA) organizations and cost plans (if latter offers Part D optional supplemental benefit) facilitate enrollment on behalf of CMS

Identifying Beneficiaries

- Source of data
 - Up to daily from State Medicaid Agencies
 - At a minimum each state must submit monthly
 - Since July 2008, option to submit up to once a day
 - Weekly SSI file from Social Security Administration (SSA)
 - Each night process all files received
 - First step – deem them for LIS
 - Second step – auto/facilitate enroll

Steps in Auto/Facilitated Enrollment Process

CMS performs the following steps to auto/facilitate enroll:

- Identify beneficiaries who need to be assigned to PDP
- Identify PDPs that qualify
- Randomly assign

Identifying Beneficiaries

- Include those:
 - In 50 states/DC
 - Receive Medicare through:
 - Original Medicare
 - MA-Private Fee For Service (PFFS) that does not offer Part D
 - Cost plan that does not offer Part D
 - MSA; or
 - 1833 Health Care Pre-Payment Plan (HC-PP)

Identifying Beneficiaries, cont' d

- Exclude those who:
 - Live in 5 US territories or in foreign countries
 - Inmates in correctional facility
 - Affirmatively decline (opt-out of) auto-enrollment
 - In PACE organization
 - Already have to get all Medicare benefits through PACE organization, so don't need to auto-enroll
 - Get Medicare benefits through MA or cost plan
 - Have Retiree Drug Subsidy (RDS)

PDP Qualifications

- Assign to PDP in region with premium at or below LIS premium subsidy amount
 - For that region
 - For that year (corresponding to auto/facilitated effective date)
- Assign to plan with defined standard, actuarially equivalent, or basic alternative benefit package
 - Will not assign to Plan with enhanced alternative benefit package, even if premium at or below LIS premium subsidy amount

Additional PDP Qualifications

- Additional requirements to receive auto/facilitated enrollments (8/31/06 HPM memo)
 - Daily reports on 4Rx data
 - Process bi-weekly LIS matching reports within 72 hours
 - Timely call center performance
 - Prospective auto-enrollees
 - Extend transition period
 - Process to assure prescriptions filled at point of service
 - Successful testing of enrollment data with CMS (for Plans new to auto/facilitated enrollment in the next calendar year)

Excluded PDPs

- Will not assign to Plans with enhanced alternative benefit package, even if the premium is at or below the LIS premium subsidy benchmark
- Will not assign to Plans that have volunteered to waive *de minimis*

Assign to PDP

- Assignment is a two-step process
 - First, assign randomly to PDP Sponsoring Organizations (S#) in region that have at least one qualifying PDP
 - Second, assign randomly within PDP Sponsoring Organizations to qualifying PDP (PBP#)
- Two-step process results in roughly same number at organization level
 - Within each organization, roughly same number among contracts, and then same number among Plans within contracts

Assign to PDP, cont' d

- Example:
 - 10,000 full duals, 4 PDP Sponsors

Sponsor Name	Number Assigned to Sponsor (Step 1)	Below Benchmark PDPs	Number Assigned to PDP (Step 2)
A	2,500 (25%)	1	2,500 (100%)
B	2,500 (25%)	3	830 (33%)
C	2,500 (25%)	2	1,250 (50%)
D	2,500 (25%)	4	625 (25%)

Assign to PDP, cont' d

- Note – for first step of process, if two or more PDP Sponsors are owned by the same parent organization, they are treated as single Sponsor for first step of auto-/facilitated enrollment
- Example -- 10,000 full duals, 4 PDP Sponsors
 - Sponsor A and B have the same parent organization

Sponsor Name	Number Assigned to Sponsor (Step 1)	Below Benchmark PDPs	Number Assigned to each PDP (Step 2)
Alphabet Org (owns Sponsor A and Sponsor B)	3,333 (33%) (Sponsor A - 1666 Sponsor B - 1666)	Sponsor A - 1 PDP Sponsor B - 2 PDPs	Sponsor A - 1666 (100%) Sponsor B - 833 (50%)
C	3,333 (33%)	2	1666 (50%)
D	3,333 (33%)	4	833 (25%)

Assign to PDP, cont' d

- Once person assigned to plan, CMS creates enrollment transaction and submits to MARx
 - Similar to how plan creates one to indicate enrollment
 - Will create artificially early application date so that any subsequent beneficiary choice will “trump” auto-enrollment
 - Application date is set to 1/1/03
 - Decreased by one day each month auto/facilitated enrollment occurs

Effective Date

- CMS calculates effective date, and will include on TRR to Plan (Prospective)
 - 1st day of second month after CMS identifies the person
- For full dual eligibles, effective date is the later of
 - First day of full dual status
 - Will often be retroactive
 - Day after disenrollment effective date from previous Part D Plan

Effective Date, cont' d

- Example
 - Scenario:
 - 2009 -- Person has Medicaid all year
 - 5/20/09 -- Turns 65
 - Effective Date
 - 4/30/09 -- Medicaid drug coverage ends
 - 5/1/09 -- Medicare Part D eligibility starts
 - 5/1/09 -- Auto-enrollment effective

Effective Date cont' d

- Limited Income NET (LI-NET) Program
 - New Demonstration Program starting in January 2010
 - Single PDP to cover all periods of retroactive auto-enrollment

CMS Notice to Beneficiaries

- CMS will notify each beneficiary about where he/she will be enrolled
- Auto-enrollment notice (yellow paper)
- Facilitated enrollment notice (green)
 - Full Subsidy Version
 - Partial Subsidy Version
- [http://www.cms.hhs.gov/
LimitedIncomeandResources/LISNoticesMailings/
list.asp#TopOfPage](http://www.cms.hhs.gov/LimitedIncomeandResources/LISNoticesMailings/list.asp#TopOfPage)

CMS Notice, cont' d

- Includes:
 - Plan name/number/website
 - HPMS has customer service number specific to auto-/facilitated enrollees
 - Must be in HPMS by August 30, 2010 to be included in re-assignment letter
 - If blank, defaults to Customer Service Number for prospective enrollees
 - Effective Date of enrollment
 - Ability to opt-out (affirmatively decline)

CMS Notice, cont' d

Note:

- If the beneficiary has a retroactive period that is covered by the LI Net Plan, then that information will also be referenced in the letter

CMS Notifies PDPs

- CMS notifies Plans two ways
- First, MBD provides PDP notification file
 - Preliminary notification of assignments (before sent on weekly TRR)
 - Provides early notice of
 - LIS levels
 - Beneficiary address
 - CMS does not have phone data
 - Comes every day that State or SSA file is received identifying new dual or LIS eligibles

PDP Notification File, cont' d

- See Plan Communication User Guide, Item E.25, page E-161 for a layout of the Auto Enrollment PDP notification file.
- <http://www.cms.gov/PrescriptionDrugCovContra/HPMSSD/itemdetail.asp?filterType=none&filterByDID=-99&sortByDID=2&sortOrder=descending&itemID=CMSo58928&intNumPerPage=2000>

Purpose of PDP Notification File

- Use this file:
 - To ensure CSRs can assist new auto/facilitated enrollees in interim period between receipt of this file and weekly TRR
 - To obtain address for auto/facilitated confirmation letter
- Note: CMS does not have phone number data, so it cannot transmit them to plans

CMS Notifies PDPs, cont' d

- Second, MARX generates weekly Transaction Reply Report (TRR) to PDPs
 - Auto-/facilitated enrollments processed by MARx will be included on next regular weekly TRR
 - Weekly TRR is generated each Sunday
 - So will receive TRR with auto-/facilitated enrollments no more than 7 days after assignment occurs

CMS Notifies PDPs, cont' d

- How to distinguish auto-enrollments on the TRR
 - #15 -- Transaction Reply Code –
 - ▶ 117 -- FBD Auto-Enrollment Accepted
 - ▶ 118 – Facilitated Enrollment Accepted
 - ▶ 212 – Reassignment Accepted
 - #18 -- Effective Date
 - #30 -- Application Date – the field will always be set to an artificially early date (7/1/2003 or earlier), so that any beneficiary choice will supersede an auto-enrollment

CMS Notifies PDPs, cont' d

- How to distinguish auto-enrollments (cont' d)
 - #36 -- Election Type – the field will be set to S (SEP)
 - #37 -- Enrollment Source – the field will be set to
 - ▶ A (auto-enrolled by CMS)
 - ▶ C (facilitated enrolled by CMS)
 - ▶ H – (re-assignment by CMS)
 - #39 -- Premium Withhold Option – the field will be set to D (direct billing)

Plan Responsibilities

- Submit 4Rx data within 72 hours of receiving weekly TRR confirming auto/facilitated enrollment or reassignment
- Do so with a 72 transaction

Plan Responsibilities, cont' d

- Send confirmation notice within 10 calendar days after receiving TRR (exhibit 24 or 25)
- Send modified version of pre- and post-enrollment material
 - Evidence of health insurance coverage (EOC), so they can begin using services
 - Charges for which they will be liable (LIS Rider, if appropriate)
 - Effective date of coverage
 - How to obtain services prior to receiving ID card
 - Summary of Benefits

Beneficiary Next Steps

- After beneficiaries receive CMS notice of auto-enrollment, they may opt-out
 - May do so prior to auto-enrollment effective date or even after they are auto-enrolled
 - May contact 1-800-MEDICARE
 - May contact PDP (exhibit 26)

If Beneficiary Opts Out

- Entity contacted submits appropriate transaction
 - 51 (disenrollment) or 74 transaction
 - #14 -- Effective Date – set the field to the first of the month after the PDP receives the request
 - #24 – Part D Opt-Out Flag – set the field to Y (opt-out of auto-enrollment)

If Beneficiary Opts out cont' d

- PDP notified of opt-out by TRR
 - #15 -- Transaction Reply Code – the field will be set to 131 (Part D Opt-Out Accepted)
 - #18 -- Effective Date – the field will be set to the first of the month
 - #38 – Part D Opt-Out Flag – the field will be set to Y (opt-out of auto-enrollment)

If Beneficiary Opts Out, cont' d

- Notes on opting out
 - Person does not surrender eligibility for, or right to enroll in, a Part D plan
 - Instead, ensures they are not included in future auto/facilitated enrollments
 - To obtain benefits in the future, simply enrolls with a plan (normal prospective effective date)
 - Can opt back in by calling 1-800-Medicare

Beneficiary Next Steps, cont' d

- Beneficiary may change plans
 - Effective date is first day of month after request is made
 - Enrolling in new Part D plan will generate a disenrollment transaction reply to PDP into which person had been auto-enrolled
- Facilitated enrollee
 - May request effective date be earlier
 - Example
 - Beneficiary facilitated in June, gets CMS notice mid-June, with August 1 effective date
 - If beneficiary contacts plan by June 30, plan can move effective date up to July 1
 - Plan submits 61 transaction with earlier effective date

Special Enrollment Periods (SEP)

- All LIS eligibles have a continuous Special Enrollment Period (SEP)
 - May enroll, disenroll, or change plans at any time
 - See PDP enrollment guidance Chapter 3, section 30.3.2 and 30.3.8.7
- Other SEPs may apply depending on beneficiary circumstances
 - See PDP enrollment guidance Chapter 3, section 30.3

Timing: Regular Auto/Facilitated Process

- CMS performs auto/facilitated enrollment up to daily
- October 2010 is first time we will assign to new 2011 PDPs
 - So this is first time new auto-enroll plans will see auto-enrollments for January 2011 effective date
 - Will appear on regular weekly November TRR

Timing, cont' d

- Sample Monthly Timeline
 - May 6 --
 - State/SSA file received
 - Person deemed and auto/facilitated
 - May 7 -- PDP notification file sent to plan
 - May 9 -- CMS mails yellow/green notices to beneficiaries auto/facilitated enrolled into PDPs
 - May 10 – PDP receives confirmed auto/facilitated enrollments on next weekly TRR
 - May 13 – Plan submits 72 transactions with 4Rx data
 - May 20 – Plans must send confirmation notice to new auto/facilitated enrollees

Reassigning to New PDP

- Each fall, CMS reassigns LIS beneficiaries with 100% premium subsidy to a new PDP
 - PDP is terminating
 - PDP premium increase
 - Over regional LIS premium subsidy amount
 - Converting to enhanced benefit
- MA plan terminating and member has LIS but no PDP enrollment

PDP Plan Terminating

- CMS letter in early November
 - **BLUE PAPER** version 1
 - Current plan is leaving Medicare Program
 - Reassigned to new plan effective January 1, 2011
 - Unless they join a new plan by December 31, 2010
- Action
 - Keep the notice
 - Compare new 2011 plan with others
 - Can choose to change plans

PDP Premium Increase

- CMS letter in early November
 - **BLUE PAPER** version 2
 - Current plan's premiums increasing over LIS benchmark, or converting to enhanced
 - Reassigned to new plan effective January 1, 2011
 - Unless they join a new plan by December 31, 2010
- Action
 - Keep the notice
 - Compare new 2011 plan with others
 - Can choose to change plans

MA Plan Termination

- CMS letter in early November
 - **BLUE PAPER** version 3
 - Current plan is leaving Medicare Program
 - Health coverage will revert back to Original Medicare
 - If LIS, Reassigned to a PDP plan effective January 1, 2011
 - Unless they join a new plan by December 31, 2010
- Action
 - Keep the notice
 - Compare new 2011 plan with others
 - Can choose to change plans

Health Reform Changes

- Only impacts Reassignment Process
- New Requirements
 - Voluntary *de minimis*
 - ACA Notice (Notice of formulary differences)
 - Sent in December
 - Blue notice

1. Voluntary de minimis

- Plans may volunteer to waive the de minimis amount
 - Will not lose LIS members to reassign
 - Will be listed as a \$0 premium plan
 - Will **not** receive auto-enrollees

2. ACA Notice

- Tells reassigned members
 - Differences between their 2010 plan and 2011 plan based on drug utilization
 - Explains the process to get an exception
 - Explains appeals process
 - Beneficiary-specific

“Choosers”

- LIS with 100% premium subsidy
 - Chose current plan
 - AND
 - Have premium liability
- CMS conducts outreach instead of reassignment with tan letter

“Choosers” Outreach

- In the Spring (April)
 - New this year, but will be sent out from now on
 - Reminder that there are \$0 premium plans available
 - Printed on TAN paper
 - <http://www.cms.gov/LimitedIncomeandResources/downloads/11465.pdf>
- In the Fall (October)
 - Informs of the premium liability
 - Responsible for paying a portion unless they join a new plan
- Action
 - May want to look for a new plan
 - Compare current plan with others
 - Can choose to change plans
 - Early December is best time

Timing -- Re-Assignments

- This timeline is specific to PDPs that qualify for auto/facilitated enrollments in 2011
 - Late September – Plans must have connectivity to CMS
 - October – CMS re-assigns certain LIS beneficiaries
 - PDPs that qualify for auto/facilitated enrollments in 2011 will receive re-assignees
 - CMS performs reassignment of certain beneficiaries in PDPs on October 4; non-renewing MA plans on October 15
 - Gaining PDPs receive PDP notification file (preliminary listing of re-assignees) on October 8 and 18
 - CMS blue letter to beneficiaries early November

Timing -- Re-Assignments, cont' d

- PDP and MA Reassignments appears on Special TRR on or around November 3.
- November 6 – Plan must submit 72 transactions with 4Rx data for re-assignees
- November 16 – Plan sends model confirmation letter to re-assignees (Exhibit 29)
- December -- CMs sends new ACA notices (PDP and MA) received by beneficiaries.
- New plan assignments effective January 1, 2011.

Important Dates

Week of September 20	GREY notice mailed to those losing deemed status
Week of October 4	ORANGE notice mailed to those losing deemed status
Week of October 25	Initial BLUE PDP REASSIGNMENT (plan terminations) Initial BLUE MA REASSIGNMENT notice mailed
Week of November 5	Initial BLUE PDP REASSIGNMENT (premium increase) notice mailed
November 15	Enrollment for 2010 begins
Week of November 22	TAN CHOOSERS notice mailed
Week of December 22	BLUE ACA (formulary differences) notice mailed
Late December	Plans notify affected enrollees if their LIS will end as 12/31

Resources

- PDP Guidance: Eligibility, Enrollment and Disenrollment
 - Section 40.1.4 – Auto and Facilitated Enrollment
 - Section 40.1.5 - Reassignment
 - Exhibits (Model Notices)
 - <http://www.cms.hhs.gov/MedicarePresDrugEligEnrol>
- **Regulation -- 42 CFR 423.34**
- 8/13/10 HPMS memo *“Reassignment of Low Income Subsidy Beneficiaries for 2010”*

Questions?

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