



# Enrollment/Disenrollment

Adrianne Carter

# Overview

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- Special Election Periods (SEP)
- Premium withholding
- Part D IRMAA
- Good Cause
- Casework Related to Enrollment/Disenrollment
  - Category 3s
  - Disenrollment for Non-Payment of Premiums
  - Plan Error Reinstatements
  - Reinstatements and Part D eligibility

# Special Election Periods (SEPs)

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- Determination of **eligibility for an election period** vs incomplete election request (*Section 30*)
  - Eligibility of election period not part of applicant's enrollment request
  - Eligibility of election period required to submit completed enrollments to CMS – 7 days
  - Plan must attempt to contact individual if attestation of election period not provided
  - If can't determine eligibility within 7 days, the election request **MUST** be denied.

# Special Election Periods (SEPs)

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- Non-renewal/Service Area Reduction SEP (*Section 30.4.3/30.3.4*)
  - Individuals notified October 1
  - SEP: December 8, 2011 – February 29, 2012
- Employer Group Health Plan SEP (*Section 30.4.4/30.3.8*)
  - Effective date no earlier than entitlement to both Part A and Part B
  - Effective date determined by employer/union group

# Special Election Periods (SEPs)

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- Exceptional Conditions SEP (*Section 30.4.4/30.3.8*)
  - Loss of Dual Eligibility SEP – starts when individual receives notice of the loss of eligibility
  - Loss of State Pharmaceutical Assistance Plan (SPAP) Eligibility SEP – starts either month of eligibility loss or when notified of loss of eligibility (whichever is earlier)
  - Loss of Special Needs Status SEP – starts when the period of continued eligibility begins
  - Enrolled by unqualified agent
  - Missing the AEP, is NOT being considered for an SEP
- 5-Star SEP (*Section 30.4.4/30.3.8*)

# Premium Withholding

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- Railroad Retirement Board premium withholding available (*Section 40.2*)
- Request for premium withholding (*Section 40.4*)
  - Resubmit requests for enrollments processed after monthly cut-off for payment
  - Resubmit for next possible effective date
  - Notify member responsibility for paying plan directly

# Part D-IRMAA - Defined

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- Part D-IRMAA = Part D-Income Related Monthly Adjustment Amount
- Started January 1, 2011
- Paid to the government in addition to the plan premium
- Not paid to the plan
- Required for individuals with Part D coverage and higher incomes

# Part D-IRMAA – The Process

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Social Security Administration uses 2-year old tax data from IRS to make an annual determination

- Individuals notified in November if assessed Part D-IRMAA
- May appeal Part D-IRMAA assessment by requesting a reconsideration or report a life-changing event
- Part D-IRMAA assessed for full year
- End of year validation completed; differences conveyed to individual



# Part D-IRMAA – The Process

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- Individuals pay Part D-IRMAA via:
  - Premium withholding through SSA
  - Direct bill by CMS for individuals who do not receive Social Security benefits or individuals who do not receive enough in benefits to cover the Part D-IRMAA
  - Direct bill by Railroad Retirement Board for individuals receiving RRB benefits
- Part D-IRMAA is billed monthly, not quarterly like Part B premiums

# Part D-IRMAA – Disenrollment

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- Disenrollment for failure to pay Part D-IRMAA (*Section 50.2.6*)
  - For those in direct bill
  - Fail to pay Part D-IRMAA owed amounts in full at the end of three months
  - Disenrolled even if in MAPD or employer coverage
  - Cost plans will disenroll from contract, but must re-enroll into Cost only plan without optional Part D benefit
  - Loss of Part D coverage until next valid election period and possibly assessed a LEP

# Part D-IRMAA – Disenrollment

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- Process
  - Plan receives specific Transaction Reply Code of involuntary disenrollment
  - Effective date is first of the month following disenrollment notification in Transaction Reply Report
  - CMS start disenrollment for April 1 effective date
  - CMS communications to delinquent payers:
    - Mymedicare.gov message
    - Mail letters before disenrollment occurs

# Part D-IRMAA – Disenrollment

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- Plan Responsibilities
  - Notice of involuntary disenrollment within 10 calendar days of receipt of TRR (*Exhibit 21a*)
  - Notice includes to call CMS to request reinstatement for good cause
- Coordination with plan policy for failure to pay premiums
  - MARx will process the TRC received first
  - If disenrollment date by plan matches Part D-IRMAA, plans can send both notices or use exhibit 21 and include Part D-IRMAA language

# Part D-IRMAA – Extras

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- Beneficiary sends plan Part D-IRMAA
  - Plans not expected to forward payments to CMS
  - May return it to beneficiary or apply to future premium owed amount
- Part D-IRMAA data is not shared with plans
- Employers/Third parties may not pay Part D-IRMAA for individual
- Refer Part D-IRMAA questions to CMS or SSA

# Reinstatement for Good Cause

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- Established policy for good cause April 2011
- For individuals disenrolled for failure to pay plan premiums or Part D-IRMAA
- Starts January 2012
- Reinstatement permitted if:
  - Receive favorable good cause determination
  - Pays all owed amounts (past due and premiums accrued during request for reinstatement process – plan premiums AND Part D-IRMAA)
  - Within 3 months of disenrollment effective date

# Reinstatement for Good Cause

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- Timing
  - Good cause reinstatement process = 3 months from disenrollment effective date
  - Individuals must request reinstatement within 60 days following disenrollment effective date
- Requests made to CMS, not the plan
- Disenrollment notices include information on criteria for reinstatement and instruct to call 1-800-MEDICARE

# Reinstatement for Good Cause

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- Reinstatement for good cause provided:
  - Rare circumstances for not making timely payment by member/ legal representative
  - Out of the individual's control or could not reasonably foresee
- Reinstatement not provided:
  - Untimely payment alone
  - Circumstances within the member's control



# Reinstatement for Good Cause

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- Examples of circumstances for favorable determination:
  - Federal government error caused payment to be missed or late
  - Prolonged illness, hospitalization, or institution of member (or legal representative)
  - Death or serious illness of spouse or other family member
  - Loss of member's home or severe impact by fire or other exceptional circumstance

# Reinstatement for Good Cause

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- Examples of circumstances not meeting good cause:
  - Allegation that bills or dunning notices not received
  - Unreported change of address, out of town vacation
  - Legal representative didn't pay timely
  - Misunderstanding of ramifications for non-payment
  - Couldn't afford to pay premiums

# Reinstatement for Good Cause

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- Cost Plans with optional supplemental Part D coverage
  - Members disenrolled for failure to pay may request reinstatement of the Part D benefit
  - Only for those who failed to pay the premium associated with the optional Part D benefit or Part D-IRMAA
  - Must still be enrolled in the cost contract without optional Part D benefit

# Reinstatement for Good Cause

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- Process
  - Disenrolled member calls 1-800-MEDICARE and requests reinstatement (within 60 days)
  - CTM generated to capture information and maintain documentation of request
- NOTE: CTMs for requests will not count against plans in performance ratings
- CMS will use CTM as main vehicle to communicate with plans about reinstatement requests and payment

# Reinstatement for Good Cause

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- Process (cont.)
  - CMS caseworker will contact individual and make a determination (favorable or not)
  - CMS will notify the individual of the determination
  - If unfavorable, CTM is closed
  - If favorable, CMS will make note of the determination in the CTM for plan action
  - Plans must send notice of payment owed within 3 business days of CTM notification
  - CMS to send notice if Part D-IRMAA owed

# Reinstatement for Good Cause

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- Notice requirements (*Exhibit 22a/21b*)
  - Specify amount owed
  - Date payment due (3 months from disenrollment effective date)
  - Location to send payment
  - Other payment options if available

# Reinstatement for Good Cause

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- Process (cont.)
  - If payment received by due date, plan will note in CTM and send to CMS for action
  - CMS caseworker will verify Part D-IRMAA payment received by due date
  - If both payments received by due date, CMS caseworker will reinstate the member via MARx and notify the plan via CTM
  - CTM will be closed
  - Plan must send reinstatement notice within 10 days (*Exhibit 25a/22a*)

# Reinstatement for Good Cause

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- Process (cont.)
  - If payment is not received by due date, plan notes in CTM and sends to CMS for action
  - CMS caseworker will notify individual that reinstatement will not occur
  - CTM will be closed



# Reinstatement for Good Cause

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- Unfavorable/Unprocessed Requests
  - Plans may not request retroactive enrollment for individuals with denied requests
  - Individual may prospectively re-enroll in plan upon next valid election period (new enrollment)

# Casework

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- Category 3s
  - Should be rare
  - Caseworker vs. Account Manager
  - Required Information
    - Root Cause
    - Resolution/Ensure non-recurrence
    - Spreadsheet with names and effective dates

# Casework

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- Disenrollment for Failure to Pay Premiums  
(*Section 50.3.1*)
  - Must apply policy consistently to all members within the plan (Plan Benefit Package)
  - Must promptly effectuate disenrollments at the end of grace period
  - May increase length or discontinue policy during the year
  - Cannot decrease length or start policy during the year
  - Changes to policy must apply to all in PBP

# Casework

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- Plan Error Reinstatements
  - Again should be rare
  - Starting in 2012, AM approval not always required
  - Notification to members

# Casework

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- Reinstatements and Part D
  - Reinstatement of A/B, may not always reinstate the Part D date
  - Sometimes there is a system error
  - If plan thinks there may be an error:
    - Refer CTM to CMS
    - Cases not in CTM, contact Lead Caseworker

# Resources

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- Enrollment & Disenrollment Guidance
  - <http://www.cms.gov/MedicareMangCareEligEnrol/>
  - <http://www.cms.gov/MedicarePresDrugEligEnrol/>
- Your Account Managers/team
  - Policy Questions should go to AM
  - Enrollment transaction issues should go to the help desk first
- E-mail
  - [pdpenrollment@cms.hhs.gov](mailto:pdpenrollment@cms.hhs.gov)

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# Questions?