

Re-determining Eligibility for People Who Qualify for Low-Income Subsidy Automatically

Re-Determination of LIS Deemed Status

During the summer, CMS began determining individuals as automatically eligible for the Low Income Subsidy (LIS) for calendar year 2009 based on monthly data from State Medicaid Agencies and SSA. Individuals are deemed eligible for the calendar year, or what remains of it if they newly qualify mid-year. As of September 2008, more than 8 million people qualify for LIS automatically. This August, CMS determined if individuals who automatically qualified (were deemed eligible) for LIS in calendar year 2008 will automatically qualify for LIS in 2009. If they are no longer a full-benefit dual eligible, partial dual eligible (Medicare Savings Program participant), or Supplemental Security Income (SSI) recipient, their LIS will end on December 31, 2008.

This September, individuals who no longer qualify for LIS automatically in 2009 will receive, in one mailing, a letter from CMS explaining this loss of LIS and an SSA application to complete and return in an enclosed postage-paid envelope. Separately, CMS will notify by mail individuals who will continue to qualify automatically in 2009 but will have a change in their copayment level between 2008 and 2009 (e.g. from \$0 in 2007 to \$2.40/\$6.00 in 2009). Those individuals who continue to qualify for LIS in 2009 at the same level will not receive a letter.*

It is important to note that in the event that an individual who we had notified as losing his or her LIS for calendar year 2009 becomes newly eligible for Medicaid or SSI in future months, CMS will mail them a new letter informing them that they now automatically qualify for LIS.

Key Dates

Re-determination of deemed status will occur beginning in August. Key dates surrounding this process are outlined below:

- **June 11:** CMS communicated to States on criticality of State files for LIS re-deeming.
- **July 15th - 31st:** State files identified full and partial duals.
- **Early August:** CMS re-deemed beneficiaries for 2008 (using July state data only).
- **August 15th - 31st:** State files identified full and partial duals.
- **Mid-Late August:** SSA sent file to CMS of SSI recipients.
- **Early September:** CMS again re-deemed beneficiaries for 2008 (using State and SSI data for the first time).
- **Mid-September:** Beneficiaries who are losing their LIS are notified by mail
- **Early October:** Beneficiaries who will experience a change in their copayment level are notified by mail
- **January 1, 2009:** Changes in LIS take effect.

* For a complete list of CMS, SSA and plan mailings in fall and summer 2008, see <http://www.cms.hhs.gov/LimitedIncomeandResources/Downloads/2008Mailings.pdf>