

External Partner Q&As on 2008 Re-assignment

Who is Medicare re-assigning?

In the fall of 2008, Medicare will re-assign certain people who qualify for extra help to new Medicare Prescription Drug Plans. Coverage is effective January 1, 2009. Re-assignment is based on those who qualify for extra help as of January 1, 2009. People who no longer qualify for extra help as of January 1, 2009, won't be re-assigned.

Medicare will re-assign people who qualify for the full (100%) premium subsidy already enrolled in a Medicare Prescription Drug Plan whose premium in 2009 would increase above the regional low-income premium subsidy amount (sometimes called the "regional benchmark"). Medicare will also re-assign all people who qualify for extra help who are enrolled in Medicare Prescription Drug Plans that are leaving the Medicare Program as of December 31, 2008.

Who is affected?

Re-Assignment Due to Plan Premium Increase

This re-assignment is limited to people who qualify for extra help with the full (100%) premium subsidy and are still enrolled in the Medicare Prescription Drug Plan to which Medicare enrolled them. People who joined plans on their own or switched to different Medicare Prescription Drug Plans than those Medicare enrolled them in **won't be re-assigned**, even if they have an increase in their premiums.

Medicare will re-assign people if their 2009 premium exceeds the regional benchmark. If the person qualifies for a full (100%) premium subsidy, the basic Medicare Prescription Drug Plan may only charge a premium amount equal to the regional amount. This ensures people who qualify for a full premium subsidy pay no premium even in basic drug plans whose premium is above the LIS premium subsidy amount for the region.

Re-Assignment Due to Plans Leaving the Medicare Program

Medicare will re-assign all people who qualify for extra help who are enrolled in Medicare Prescription Drug Plans that are leaving the Medicare Program as of December 31, 2008, and they meet any of the following conditions:

- They joined a Medicare Prescription Drug Plan on their own.
- Medicare enrolled them in a Medicare Prescription Drug Plan.
- They switched to a different Medicare Prescription Drug Plan than the one Medicare enrolled them in.

How does Medicare decide which plans people will be re-assigned to?

Medicare will re-assign people to 2009 Medicare Prescription Drug Plans that have premiums at or below the regional benchmark. Medicare **won't** enroll people into Medicare Prescription Drug Plans sponsored by employers, in the territories, or with enhanced benefit packages.

- If the company (sponsor organization) that offers a person's current drug plan offers another Medicare Prescription Drug Plan in the region with premiums at or below the regional benchmark, Medicare will re-assign the person to that plan.
- If the company (sponsor organization) that offers a person's current drug plan doesn't offer another Medicare Prescription Drug Plan in the region that has premiums at or below the regional benchmark, Medicare will randomly assign a person to another plan in the region that has premiums at or below the regional benchmark.

Can people switch plans?

Yes. All people who qualify for extra help can join, switch, or drop plans anytime during the year, with coverage effective the first day of the next month.

To switch Medicare drug plans, people should call the new plan to find out how to join. Joining a new plan will end their current Medicare drug plan coverage. Their new plan coverage would start the first day of the next month.

How and when will people be notified?

By early November, Medicare will mail letters on blue paper to people whose plans are leaving (CMS Publication No. 11208) and whose premiums are increasing (CMS Publication No. 11209).

The notices tell people what plan they will be re-assigned to, how to stay in their current Medicare Prescription Drug Plan if available, and how to join a new plan. The notice will also include a list of plans in the region with premiums at or below the regional benchmark and their telephone numbers.