

PDP enrollment & disenrollment guidance

Summary of Updates – June 20, 2007

Chapter Section	Update
Throughout Chapter	<p>Incorporation of any applicable HPMS memos</p> <p>Correction of typos/edits, old references</p> <p>Switch from “business” to “calendar” days, including:</p> <ul style="list-style-type: none"> - 7 business day time frame to 10 calendar day, - 10 business days to 14 calendar days, - 1 business day to 3 calendar days, - 3 business days to 5 calendar days and - 5 business days to 7 calendar days <p>(exception: disenrollment for disruptive behavior)</p> <p>Changes in terminology for referencing employer/union groups</p>
10	<p>Clarify that a PDP sponsor may not impose any additional eligibility requirements as a condition of enrollment other than those permitted by CMS.</p> <p>Clarification that if individuals enrolled in an employer/union plan for which the retiree drug subsidy (RDS) enrolls in Part D, RDS will terminate.</p>
10.1	Simplified entitlement requirements section. Include reference to 30.2 for verification requirements.
10.4	<p>Added specific transaction reply code (127) that plans receive when individual is being claimed for the retiree drug subsidy (RDS)</p> <p>Include language to encourage sponsors to processes to make contact with the individual before the 30 day period ends</p> <p>Clarification of process when an employer/union sponsored PDP is replacing RDS plan</p>
20.1	<p>Update IEP section:</p> <ul style="list-style-type: none"> • Clarify the IEP for retroactive Medicare Determinations (per 423.38(a)(3)(iii) – previously incorrectly listed as an SEP at 20.3.8 #6. • Added example
20.3	<p>Clarify that certain SEPs may be limited to enrollments or disenrollments</p> <p>Update SEP chart to reflect any SEP updates, including removal of row in table for SEP for retroactive Medicare determinations (per change in 20.1)</p>

20.3.1	Add clarification that individual who moves permanently must be disenrolled from previous PDP
20.3.3	Clarify that for contract violations, CMS may determine a retroactive enrollment is necessary
20.3.8	CMS has the authority to establish SEPs for an individual or a group on a case-by-case basis.
20.3.8 #1	Clarified that employer/union or PDP sponsor, not just an EGHP, are able to receive elections made under the SEP EGHP
20.3.8 #5	Corrected reference to “psychiatric hospitals or unit”
20.3.8 #6	Redesignate this SEP as IEP – as discussed in 20.1 above, the SEP should be IEP per regulation
20.3.8 #8	LIS SEP: <ul style="list-style-type: none"> • Revise to allow for ongoing SEP (similar to dual eligible SEP) • If no longer eligible for LIS, individual has an SEP from month of notification to two months after notification.
20.3.8 #12	Update to remove SEP for Hurricane Katrina, Wilma & Rita since ended on 12/31/06.
20.3.8 #9 B	Update SEP to begin the month they disenroll from the MA-PD plan and continue for two additional months.
20.3.8 #9 G	Added “SEP for MA Chronic care SNPs” to coordinate with previous MA enrollment and disenrollment guidance.
30	<ul style="list-style-type: none"> • Upon receiving an enrollment request, a PDP sponsor must provide within 10 calendar days, one of the following: <ul style="list-style-type: none"> ○ Notice of acknowledgement ○ Request for additional information; or ○ Notice of denial. • Updated instruction to allow for plans to accept unsolicited enrollment requests received prior to the annual enrollment period. Also deleted references to specific year for “Special Rule for AEP” and added example for “application date”
30.1.4 and 30.1.5	Consolidated the Auto and Facilitated enrollment sections into a single section.
30.1.4.G	CMS is considering alternative process for full duals with retiree drug subsidy and will clarify in separate instruction
30.1.6	Group enrollment -- Provide additional flexibility with group enrollments by allowing notices to be sent within 21 days, rather than at least 30 days of the effective date
30.2 and 30.2 B	Incorporate existing requirement for plans to use either the BEQ (batch eligibility query) or online MARx only query (M232) for all enrollment requests into enrollment guidance.
30.2.I	<ul style="list-style-type: none"> • Simplify Determination of the “Application Date” -- Since transactions are submitted with application date, CMS is updating enrollment policy by clarifying that the application date is the date the PDP sponsor actually receives an enrollment request. The application date becomes the date the enrollment is requested and determines the effective date.

	<ul style="list-style-type: none"> • Add clarification for application date for both group enrollments and disenrollments
30.2.L	Revised “premium withhold option” section
30.2.2	<p>Clarified must make determination that additional information must be requested within ten calendar days of receipt of enrollment request</p> <p>Clarification regarding when additional documentation to make enrollment request must be received:</p> <ul style="list-style-type: none"> • <u>For AEP requests</u>: by December 31 or within 21 calendar days (whichever is later) • <u>For all other enrollment periods</u>: complete must be received by the end of the month in which request received, or within 21 calendar days (whichever is later). <p>Deleted reference to obtaining entitlement information, as this is addressed in 30.2</p>
30.2.3	<p>Determination of denial must be made within 10 calendar days of receiving the enrollment request.</p> <p>Clarification of the notice requirement and added example.</p>
30.3	As announced in September 2006 update, revise the timeframe for transmission of enrollments to CMS from 14 calendar days to 7 calendar days
30.4.1	<ul style="list-style-type: none"> • Change the term “evidence of health insurance coverage” to “proof” to help eliminate any confusion between this and what is known as the “evidence of coverage • Add requirement that proof must include the 4Rx data necessary to access benefits. • Requirement for when an individual must receive an ID card will be included in the Marketing guidance, along with all other ID card requirements for PDP.
30.4.2	Update this section to reflect update per application date and clarifications to notices.
40.2.1	Add clarification that for incarcerated individuals, the PDP is not required to contact the individual but must confirm the individual’s out-of-area (e.g. incarcerated) status.
40.3.1	<ul style="list-style-type: none"> • Revised to reflect clarification that was issued CMS HMPS memo regarding disenrollment of nonpayment of premium option and premium withhold • Provide the plans with grace period greater than one month 15 calendar days from premium due date to provide initial beneficiary notice. • Revised to include individuals who receive LIS (not just dual eligibles) in option to not disenroll for failure to pay premium

40.4.1	Revise the timeframe for transmission of voluntary disenrollments to CMS from 14 to 7 calendar days.
40.4.2	<ul style="list-style-type: none"> • Add clarification for incomplete disenrollment request must be made within 10 calendar days of receiving the enrollment request and such notice must be sent to beneficiary within that timeframe. • Allow follow up by telephone for unsigned requests • Renumber current 40.4.2 Involuntary Disenrollment as 40.4.3
40.6	<ul style="list-style-type: none"> • Rewrite of group disenrollment section for clarity and simplicity • Group disenrollment -- Provide additional flexibility with group enrollments by allowing notices to be sent within 21 calendar days, rather than at least 30 days, of the effective date of disenrollment
50.3	<p>Clarified requirements when individual has fulfilled requirements but either CMS or organization unable to process., including supporting documentation required.</p> <p>Clarify that CMS may determine in exceptional circumstances that a retroactive enrollment may be necessary</p>
50.4	Clarify CMS may determine in exceptional circumstances that a retroactive disenrollment may be necessary
50.5.1	Clarify effective date for EGHP retroactive enrollments
50.6	New section to include policy when multiple enrollment requests are submitted by an individual
50.7	New! Added instructions issued via HPMS on 4/2/07 regarding transaction reply codes (TRC) from User Interface (UI) changes
50.8	This section renumbered per new 50.6 & 50.7 sections
Appendices/Exhibits	
General	<ul style="list-style-type: none"> • Added hours of operation for 1-800 • Use term “creditable prescription drug coverage (as good as Medicare’s)” • Add “late enrollment” wherever term “penalty” is used • Update LIS amounts • Corrected “RxPCN” reference (previously RxPCM on some models)
Appendix 1	<p>Updated timeframes as outlined in guidance</p> <p>Addition of exhibits 29, 30, 31</p>
Exhibit 1	<p>Updated enrollment form as follows:</p> <ul style="list-style-type: none"> - Designate SSA element as “optional” – for plan and individual - Revised premium payment section - Removed Creditable coverage question - Updated “release of information” language
Exhibit 1a	Updated SEP list
Exhibit 4b2	Deleted -- Included in error
Exhibit 9	Streamline disenrollment form by removing enrollment period language

Exhibit 11	Remove LEP language from denial notice
Exhibit 12	Remove LEP language from rejection notice
Exhibit 19	<ul style="list-style-type: none"> • Include specific disenrollment effective date if premium payment not received • Delete SHIP contact/reference (per previous CMS guidance) • Use term “may”, rather than “can” when referring to disenrollment request since need appropriate period in which to submit such request
Exhibit 20	Include revised effective date language
Exhibit 24	<p>Include note to individual that he/she may be eligible for reimbursement of costs for Rx filled since effective date</p> <p>Include note to remind individuals that if receive coverage from other insurer to read all materials</p>
Exhibit 25	Include note to remind individuals to read all materials if receiving coverage from other insurer
Exhibit 29	NEW!! Reassignment Confirmation
Exhibit 30	NEW!! Optional Notice for “Losing Plan” to LIS Beneficiaries Re-Assigned to a Different PDP Sponsor (in lieu of ANOC)
Exhibit 31	NEW!! This notice was issued via HPMS on 4/2/07 and is for use with transaction reply codes (TRC) from User Interface (UI) changes