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Additional PDF Attachment: Revised Auto-Enrollment Letter for Dual-Eligible Beneficiaries

NOTICE OF ERRATA 10/21/05
“MEDICARE & YOU 2006” HANDBOOK

Where Does the Error Occur?

This notice affects the revised area-specific versions of the “Medicare & You 2006” handbooks posted on www.medicare.gov on October 7. The error occurs in the comparison charts listing the Medicare Prescription Drug Plans, beginning with page 97-A. **The electronic versions of the handbook are available on www.medicare.gov with the correct information.**

What is the Error?

The last column of the charts is headed “If I Qualify for Extra Help, will My Full Premium be Covered?” For each plan listed, this column should show “No” if the plan is an enhanced alternative plan. A beneficiary who qualifies for the low-income subsidy would pay some cost toward the premium for this plan. The column should show “Yes” if the plan provides basic coverage, and a beneficiary who qualifies for the low-income subsidy would pay no premium for this plan. **Due to an error, this column initially listed “Yes” for every plan in the printed versions. Electronic copies that were revised and posted on medicare.gov on October 7 still included several plans in each area-specific handbook that were incorrectly listed as “Yes.” The electronic copies now available have correct information in this column.**

Action Plan for Notifying LIS Beneficiaries of Plan Options

Plan of Action

Prior to Enrollment

- CMS is modifying the auto-enrollment notice to full-benefit dual eligibles to advise beneficiaries that they can obtain a list of other plans for which they will pay no premium by calling 1-800-MEDICARE (see attached PDF file for revised letter).
- CMS will make similar changes to its notice to beneficiaries for whom we facilitate enrollment in the Spring, and also include a list of the plans in their region for which they will pay no premium.
- SSA will include in its approval letter for the low-income subsidy a message that explains to the recipient how to look for plans for which they will pay nothing for their premium (see page 6-9 for revised letter).
- CMS has made available the Landscape of Local Plans - a list for every State in the country which identifies plans where an individual who qualifies for full extra help will pay no premium (see page 5 for description). People with Medicare and their family and friends can get this list on www.medicare.gov or by calling 1-800-MEDICARE. This information will also be included in the outreach toolkit available to partners at CMS' website.
- CMS is developing a targeted outreach module to train our partners including SHIP counselors and community-based organizations about the error in the "Medicare & You 2006" handbook and how to communicate the corrected information to beneficiaries.
- CMS will also ensure that Medicare prescription drug plans include information about plan premiums in their pre-enrollment materials, as currently required.

Upon Enrollment

- Beneficiaries who are eligible for the full premium subsidy and who enroll via our Online Enrollment Center or 1-800-MEDICARE will be advised of the plans available to them for which they will pay no premium prior to their actually enrolling in the plan.
 - CMS will develop screening tools and error messages in the Medicare drug plan finder tool and online enrollment center to ensure that beneficiaries who qualify for the low-income subsidy are aware of the plans for which they will not have to pay a premium.
- CMS will require Medicare prescription drug plans to modify their confirmation of enrollment notices to inform beneficiaries who qualify for full premium subsidy that they have chosen a plan where they will incur a premium. The notice will also advise beneficiaries that there are plans that they can join for which they will not have to pay a premium, and that they can obtain this listing by calling 1-800-MEDICARE.
- If an organization offers another prescription drug plan with a premium covered by the low-income subsidy, then the plan may communicate this information to

beneficiaries, either in the letter, or in response to phone calls. CMS has developed a script for plans to convey this information to the beneficiary and call their attention to the error contained in the handbook.

After Enrollment

- CMS will track beneficiary enrollments to determine which beneficiaries eligible for the low-income subsidy who enroll in a plan will have a premium liability. This information is expected to be available within 2 weeks of the enrollment.
- CMS will then send a separate letter to affected beneficiaries that
 - Advises them that they have enrolled in a plan for which they will have premium liability.
 - Includes a listing of other plan options available at no premium.
 - Includes information about how to change plans, including a Special Enrollment Period, if applicable (see below).

Changing Plans

- Beneficiaries who enroll in a plan for which they will have a premium liability have several options for changing to a plan with no premium liability:
 - They can cancel their enrollment prior to the effective date by contacting the first plan, or enrolling in the second plan
 - They can use existing enrollment opportunities afforded by the Annual Election Period, which continues through May 15, 2006, and, in some cases, the Open Enrollment Period, which continues through June 30, 2006.
 - They can qualify for a Special Enrollment Period if they have exhausted these other opportunities and would not otherwise qualify for an SEP by virtue of having Medicare and Medicaid coverage.
- Beneficiaries will be advised of these opportunities to change plans in the separate CMS notice mailed to beneficiaries.

Plan Monitoring and Program Integrity

- CMS will ensure that organizations adhere to these new notices requirements through its existing marketing review process.
- CMS will send a separate communication to all plans reminding them that they may not waive any premiums owed, in whole or in part, for LIS-eligible beneficiaries. Rather, they must make an effort to collect the premium for all beneficiaries. This step will ensure that plans make every effort to inform beneficiaries who qualify for the low-income subsidy of their liability for any premiums not covered by the premium subsidy as well as the availability of other plans for which they will not pay a premium.
- CMS will monitor plans to determine patterns of low-income subsidy eligible beneficiary enrollments or waiver of premiums in plans where they are subject to a premium. If CMS finds that the organization has failed to adhere to CMS' guidance, it may take corrective action and/or sanction, including prohibiting future enrollments of beneficiaries who are eligible for the subsidy.

Landscape of Local Plans

The Landscape of Local Plans is now available at www.medicare.gov on the web. This resource helps you find Medicare prescription drug plans by state or Medicare Advantage plans with prescription drug coverage by county. It lets you see the plans in your area that offer drug coverage, including basic information to help you find ones that meet your needs based on cost, coverage, and convenience. The list of Medicare prescription drug plans includes a column titled “No Premium with Full Low Income Subsidy.” This column provides a quick reference to the plans in your area that are available at no premium to people with Medicare who qualify for the full low income subsidy (extra help).

Social Security Administration
Medicare Prescription Drug Assistance
Notice of Award

Date: November 23, 2005
Social Security Number: 123-45-6789

JOHN Q. PUBLIC
123 MAIN ST
SPRINGFIELD OH 45501

You are eligible for extra help with your Medicare prescription drug plan costs. To take advantage of this benefit, you must enroll in a Medicare approved prescription drug plan or Medicare Advantage plan with prescription drug coverage, if you are not already enrolled in one. If you do not choose a Medicare prescription drug plan, Medicare will choose one for you to be sure you get this benefit. You will receive more information from Medicare.

The rest of this letter explains the extra help with the prescription drug plan costs, the information used to determine your eligibility, how to sign up for a Medicare prescription drug plan, what to do if your situation changes, and your appeal rights.

Information About This Help With Your Prescription Drug Plan Costs

You are eligible for full help to pay your Medicare prescription drug premium, also known as subsidy, because your income is below the limits established by the law. Because your resources are less than or equal to \$6000, you are also eligible for lower prescription drug co-payments and annual deductibles. You are eligible for:

- 100% subsidy to help pay your Medicare prescription drug plan premiums;
- No prescription drug annual deductible; and
- Reduced co-payment amounts when you have a prescription filled.

Information Used To Determine Your Eligibility

You have no resources.

You have 1 person in your household. When we determine the size of your household, we count you, your spouse who lives with you, and any relative who lives with you and receives one-half support from you or your spouse.

You have the following yearly income:

Social Security benefits (before any Medicare premium deductions) of \$3290.

Your income we count is less than 135% of the Federal Poverty Level. The enclosed worksheet shows you how we counted your income.

How To Sign Up for A Medicare Prescription Drug Plan

This decision is about the help you can get paying for the costs related to your Medicare prescription drug plan, such as help paying for the deductible, premiums and co-payments. To get Medicare prescription drug coverage, you will need to choose and enroll in a Medicare prescription drug plan or a Medicare Advantage Plan or other Medicare Health Plan with drug coverage. You can enroll beginning November 15, 2005. Visit www.medicare.gov or call toll-free 1-800-MEDICARE (1-800-633-4227) for a list of the prescription drug plans with no premium in your area, other drug coverage options and help comparing plans and joining a plan that works for you. If you are deaf or hard of hearing, call the Medicare TTY number toll-free at 1-877-486-2048.

What To Do If Your Situation Changes

If your mailing address changes, report it to us right away by calling toll-free 1-800-772-1213.

Certain changes in your situation may affect the amount of extra help you can receive to pay for your prescription drug plan costs. You can contact Social Security to tell us if any of the following changes happens:

- you get married;
- you and your spouse who lives with you divorce;
- your spouse who lives with you dies;
- you and your spouse separate;
- you and your spouse have your marriage annulled; or
- you and your separated spouse begin living together again.

If You Disagree With The Decision

If you disagree with the decision, you have the right to appeal. We will provide you with a hearing by telephone or a case review. We will look at any new information you have. The person who will conduct the hearing or case review had no prior involvement in the first decision. We will review those parts of the decision which you believe are wrong and will look at any new facts you have. We may also review those parts which you believe are correct and may make them unfavorable or less favorable to you.

If you want this appeal, either by a hearing or a case review, you may request it by calling toll-free 1-800-772-1213.

- You have 60 days to ask for an appeal.
- The 60 days start the day after you get this letter. We assume you got this letter 5 days after the date on it unless you show us that you did not get it within the 5-day period.
- You must have a good reason for waiting more than 60 days.
- You can call to request an appeal. You can also obtain a copy of the form SSA-1021, “Request for Appeal of Determination for Help with Medicare Prescription Drug Plan Costs” from www.socialsecurity.gov. Contact us if you need help.

If You Want Help With Your Appeal

You can have a lawyer, friend, or someone else help you. Your local Social Security office has a list of groups that can help you. These groups can find a lawyer or give you free legal services if you qualify. There are also lawyers who do not charge unless you win your appeal.

Information About Medicare Savings Programs

You may be able to get more help with your Medicare health care costs through programs run by your State. The additional help from these **Medicare Savings Programs** can be worth more than \$900 a year. To get this help, please call your State’s medical assistance (Medicaid) office or your social service office and ask about the Medicare Savings Programs. You can get the local phone number for these offices by calling Medicare toll-free at 1-800-MEDICARE (1-800-633-4227). If you are deaf or hard of hearing, you may call the Medicare TTY number toll-free at 1-877-486-2048.

How You May Be Able to Receive SSI

You may be eligible for Supplemental Security Income (SSI) benefits. If you have not already filed an SSI application, it is important that you get in touch with Social Security right away to file an SSI application. You may call us toll-free at 1-800-772-1213. If you file the application more than 60 days from the date of this notice, and you are found eligible, you may lose SSI benefits.

Information About Food Stamps

You may also be eligible for food stamp benefits. These benefits can help you stretch your food dollars to buy nutritious food for better health. For more information, contact your local social services office or call the Food Stamp Program information line toll-free at 1-800-221-5689.

If You Have Any Questions

For information about the Medicare prescription drug plans or other Medicare issues, visit www.medicare.gov on the Internet or call toll-free 1-800-MEDICARE (1-800-633-4227). If you are deaf or hard of hearing, you may call the Medicare TTY number toll-free at 1-877-486-2048.

For information about the extra help with the costs related to the Medicare prescription drug plans or general information about Social Security, visit our website at www.socialsecurity.gov on the Internet. You may also call Social Security toll-free at 1-800-772-1213. If you are deaf or hard of hearing, you may call our TTY number toll-free at 1-800-325-0778. We can answer most questions by phone.

If you do call, please have this letter with you. It will help us answer your questions.

Jo Anne B. Barnhart
Commissioner

Enclosure(s):
Income Worksheet

**LISTSERV MESSAGE to PARTNERS/SHIPS/STATES/REGIONS
NOTICE OF ERRATA: “MEDICARE & YOU 2006” HANDBOOK
Sent on 10/03/05**

If you’re helping someone with Medicare **who qualifies for extra help paying for Medicare prescription drug coverage**, please read this important message.

There is an error in the area-specific versions of the “Medicare & You 2006” handbooks, which are mailed to people with Medicare in October. Starting on page 97-A, you’ll see a series of charts listing the Medicare Prescription Drug Plans. The last column of the charts is called “If I Qualify for Extra Help, will My Full Premium be Covered?” **Due to an error, this column lists “Yes” for every plan.** This error does not impact the charts listing Medicare Advantage plans.

Action Needed: If you are counseling someone who qualifies for extra help compare Medicare Prescription Drug Plans, tell them about the error in the “Medicare & You” handbook. Inform them that not all plans listed are available for no premium. Help people who qualify for extra help find and compare the plans that are available for no premium. Medicare will post corrected versions of the Handbook that contain this information at www.medicare.gov on the web. After October 17, 2005, here’s how to find out the actual premium amounts to help people make an informed decision:

- Use the Medicare Prescription Drug Plan Finder on www.medicare.gov
- Call 1-800- MEDICARE (1-800-633-4227), TTY 1-877-486-4028

HPMS MESSAGE TO PDPs
NOTICE OF ERRATA: “MEDICARE & YOU 2006” HANDBOOK
Sent on 10/03/05

Please read this important message.

There is an error in the printed, area-specific versions of the “Medicare & You 2006” handbooks, which were mailed to people with Medicare in October. Starting on page 97-A, you’ll see a series of charts listing the Medicare Prescription Drug Plans. The last column of the charts is called “If I Qualify for Extra Help, will My Full Premium be Covered?” **Due to an error, this column lists “Yes” for every plan.**

Action Needed: People with Medicare may call you, as they begin comparing plans and gathering information about joining a plan. **You must inform** people who qualify for the low-income subsidy if they will incur a premium, before they join your plan. **You also must inform** them that there are alternate plans available to them for no premium. If your organization offers another plan that would be available without a premium under the low-income subsidy, you may suggest that plan to people who qualify for the subsidy.

Medicare is working to make accurate information available about plans in which the full premium is covered for people who qualify for extra help. This information is available through the following resources:

- The Medicare Prescription Drug Plan Finder on www.medicare.gov (starting October 20)
- 1-800- MEDICARE (1-800 633-4227) TTY 1-877 486-2048
- State Health Insurance and Assistance Programs and other local partners
- Corrected versions of the Handbook at www.medicare.gov on the web by October 20

1-800-MEDICARE SCRIPTS
NOTICE OF ERRATA
“MEDICARE & YOU 2006” HANDBOOK
Sent on 10/03/05

I qualify for extra help paying for Medicare Prescription Drug Coverage. The charts in the Medicare & You 2006 handbook say I can join any of the plans listed, and I won't have to pay a premium. Is this true?

It is true for some of the plans. However, there is an error on the charts in this year's Medicare handbook that were mailed in October. Beginning on page 97-A of the Medicare & You 2006 handbook, there are charts that show the Medicare Prescription Drug Plans available in each area. Some of the plans incorrectly state “Yes” in the column of the chart that says “If I Qualify for Extra Help, will My Full Premium be Covered?”

If you qualify for extra help, you should check to see if you will have to pay a premium for the plan you are interested in.

[If YES, there is interest in a certain plan, read]

I can tell you the correct premium amount for the plan you are interested in. Would you like me to do that for you today?

[If NO, and still comparing plans, read]

There are a number of ways to find available plans and the premium amount you would have to pay for each. You can

- Use the Medicare Prescription Drug Plan Finder on www.medicare.gov
- Download corrected versions of the Medicare & You handbook at www.medicare.gov on the web
- Call the organization offering the plan you are interested in
- Use personalized counseling in your local community

Tip for people who ask about Medicare enrolling them in a plan.

Medicare says that they'll enroll me in a plan if I don't pick one. Can they put me in a plan that has a premium?

No. If you qualify for the extra help, you will be automatically enrolled ONLY into a plan for which you would pay no premium. [Link to appropriate auto-enrollment scripts.]

**PARTNER SCRIPT
NOTICE OF ERRATA
“MEDICARE & YOU 2006” HANDBOOK
Sent on 10/03/05**

Appropriate Use: Inquiries from Medicare beneficiaries who qualify for the low-income subsidy and have seen incorrect premium information in the handbook.

Medicare informed us that there is an error in this year’s Medicare handbook that they mailed to you in October. Beginning on page 97-A, the handbook you received incorrectly states “Yes” for some plans in the column of the chart that says “If I Qualify for Extra Help, will My Full Premium be Covered?”

What this means to you is that for some of the plans listed, the extra help that you qualified for won’t cover the full premium amount. If you join one of these plans, you will have to pay a monthly premium. The amount you will pay is lower than the premium listed because you get extra help, but there is still a cost.

However, you should know that you can choose from other plans that are available to you for NO monthly premium. If you’d like, I can help you find and compare the plans that are available to you.

**PDP SCRIPT
NOTICE OF ERRATA
“MEDICARE & YOU 2006” HANDBOOK
Sent on 10/03/05**

Appropriate Use: Inquiries from Medicare beneficiaries who qualify for the low-income subsidy and have seen incorrect premium information in the handbook.

Medicare informed us that there is an error in this year’s Medicare handbook that they mailed to you in October. Beginning on page 97-A, the handbook you received incorrectly states “Yes” for some plans in the column of the chart that says “If I Qualify for Extra Help, will My Full Premium be Covered?”

What this means to you is that for some of the plans listed, the extra help that you qualified for won’t cover the full premium amount. If you join one of these plans, you will have to pay a monthly premium. The amount you will pay is lower than the premium listed because you get extra help, but there is still a cost.

However, you should know that you can choose from other plans that are available to you for NO monthly premium, including [insert appropriate plan name] from our company. If you’d like, I can tell you more about that plan now.