Prescription Drug Benefit Manual
PDP Guidance – Eligibility, Enrollment, & Disenrollment
Summary of Updates –July 16, 2008

Chapter Section	Update
Throughout Document	1. General typos/edits, syntax, verb tense changes, etc. 2. Changed section references where appropriate due to new or changed section numbers 3. Added references to new model exhibits 4. Corrected references to CMS internet security website to http://www.cms.hhs.gov/informationsecurity/ 5. Added regulatory references to beginning of sections 6. Changed references to "Transaction Reply Report," "reply listing," & "CMS Reply Report" to "TRR" 7. Formatted all section headings to correspond with Table of Contents 8. Changed language referencing "de minis" to "benchmark"
Introduction	Changed references from 2008 to 2009; clarified that changes to SEPs, including additions, as well as the clarification in §40.2.1.4 regarding auto/facilitated enrolled beneficiaries with whom contact cannot be made for address verification purposes, are effective immediately upon publication.
TOC	1. Overall update to include update to sections, including additions and deletions 2. Added page numbers
Important Note	Added language indicating guidance applicable to Part D optional supplemental benefit offered by 1876 Cost plans
10.2	1. Added language indicating plans should accommodate members with mailing addresses separate from residential addresses 2. Added reference to §40.2.1
10.3	Added language indicating that transferring from one PBP to another within the same organization is still an election and must be handled as such
20.1	1. Removed language referencing time periods surrounding start of Part D in 2006 2. Clarified that, for retroactive Part D eligibility determinations, eligibility for Part D begins the month in which the individual received notification of the retroactive entitlement decision 3. Added language indicating that the Part D eligibility effective date can be found in CMS' systems
20.2	Added language indicating the AEP is sometimes also referred to as the "Fall Open Enrollment" season
20.3	Changed and added language to clarify how a plan determines an enrollee's eligibility for an SEP
20.3.1	Revised language regarding SEP for permanent move to be consistent with same section in MA guidance
20.3.4	1. Editorial revisions to language regarding plan non-renewals

	2. Extended SEP through January of following year. Clarified February 1 as possible effective date
20.3.8	1. In item #7, moved language on effective date & example to streamline the section 2. In item #8, sub-section C, corrected reference from SEP to OEPI 3. In item #8, sub-sections D and E, clarified that during the MA-OEP and MA-OEPNEW, the SEP is for MA-PD to enroll in a Part D plan, which would include a Part D optional supplemental benefit offered by a cost plan 4. In item #8, sub-section G, added language allowing SEP to individuals with new chronic conditions 5. In item #8, sub-section G, added language extending SEP to individuals found ineligible for SNP after enrolling 6. In item #8, added ne Sub-section H extending SEP to individuals who lose MA-PD enrollment for loss of part B 7. In item #9, added language clarifying SPAP SEP also available to beneficiaries losing SPAP status 8. In item #10, added language indicating that revision is intended to reduce the impact of the coverage gap 9. Added item #13, SEP for Individuals found ineligible to enroll in a chronic/disabling condition Special Needs Plan
20.4	Deleted redundant reference to ranking of enrollment periods
30	1. Added language clarifying that PDP sponsors can accept faxed enrollment requests w/o the original 2. Clarified enrollment requests must be submitted during valid enrollment periods 3. Added language addressing how plans should handle application dates if using rollover transactions 4. Clarified in special rule for AEP that applications must be “unsolicited” 5. Added further clarifying language for plan submissions during AEP
30.1	1. Added requirement to keep Medicare A or B to the list of items individual acknowledges on enrollment request & stressed importance of same 2. Included reference to Appendix 2 for list of all required elements on enrollment mechanisms
30.1.2	1. Clarified PDP sponsors may only offer internet enrollment on their own websites 2. Added language indicating confirmation number is a “confirmation of receipt” number 3. Changed language regarding collection of premium payment information on enrollment request mechanism so plans may optionally do so 4. Added language indicating plans should check the Medicare Online Enrollment Center for enrollment requests at least daily
30.1.3	1. Clarified that individual receiving telephonic enrollment requests via telephone must be plan representative or agent 2. Clarified that enrollment requests via telephone must be reproducible
30.1.4	1. Changed language to indicate that auto- & facilitated enrollments will continue monthly through 2008 & more frequently thereafter 2. In subsection A, item 1, added language referencing Medicare Part B premiums 3. In subsection A, item 2, changed “affirmatively declined” to “opted out…” 4. In subsection B, clarified beneficiaries’ phone numbers are “not transmitted” to sponsors rather than “not available” 5. In subsection C, updated language to reflect current processes; streamlined language in examples

	6. In subsection C, item 2, clarified use of SEP from §20.3.8 #8 7. In subsection D, moved language referencing SEP for LIS to streamline language 8. In subsection E, removed language regarding targeted notice to beneficiary with RDS 9. In subsection E, changed "evidence" to "proof" 10. In subsection E, updated language regarding notice requirements to reflect current processes 11. In subsection F, changed timeframe for requests to opt out to "through the 15th of the month after the month in which auto-enrollment occurred"
30.1.5	1. Added language indicating CMS will announce its intent to conduct reassignment in the Call Letter 2. In subsection A, added criterion "not enrolled in a Medicare Advantage (MA) plan" 3. In subsection A, added criterion "do not live in a U.S. territory" 4. In subsection B, changed reassignment reference to "low-income subsidy" to "benchmark" 5. In subsection D, added language referencing notices 6. In subsection E, added language clarifying time frames 7. In subsection F, added language clarifying time frames 8. In subsection G, removed language addressing reassignment within same PDP.
30.1.6	1. Added "Mechanism" to title 2. Added language clarifying that beneficiaries participate in group enrollment process by advance notice for a prospective effective date 3. Added language to application date section indicating is effective "for all mechanisms at all times" 4. Added language clarifying receipt date for purposes of providing notices & meeting other timeframe requirements
30.1.7	1. Removed the "mass" before "enrollment requests" 2. Added language clarifying that SPAP-submitted enrollment requests are for a prospective effective date 3. Added language addressing application date for SPAP enrollment requests made during the AEP
30.2	1. Added language indicating sponsor must still validate and verify Medicare entitlement even when Medicare card has been viewed 2. In subsection B, exempted enrollment requests to switch PBPs within a plan from verification of Medicare entitlement 3. In subsection B, added language allowing Medicare card & SSA award letter as last resort proofs of Medicare entitlement 4. In subsection C, added language indicating that plans must allow beneficiaries access to benefits as of effective date regardless of confirmation from CMS 5. In subsection E, added language clarifying the Special Note for Part D Payment Demonstrations Plans 6. In subsection F, added language indicating that documentation of a confirmation phone call to beneficiary can complete an enrollment request in lieu of a signature 7. In subsection I, clarified the language referencing determining the application date for employer group/union enrollment

	requests 8. In subsection L, added language addressing premium payment options on enrollment mechanisms
30.2.1	Added language stating that plans should try to accommodate the beneficiary's request or need for an alternative mailing address
30.2.2	1. Clarified when 21-day extension to complete enrollment extends past CMS deadline, plan uses code 62 2. Changed "Beneficiary" to "Applicant"
30.4	1. Added language confirming that a member's coverage begins on the effective date regardless of when the member receives all the information the plan sends. 2. Added language stressing importance of expedited issuance of combined notice
30.4.1	Added language indicating that as of the effective date of enrollment, plan systems should indicate active membership
30.4.2	1. Added language indicating a member's coverage begins on effective date regardless of whether or not member has received all information plan sends to new enrollees 2. Added language clarifying & streamlining section addressing transactions rejected for "keying errors"
40.1	1. Added language to clarify that a member must "request" disenrollment 2. Changed "3 processes" to "methods"
40.1.1	1. Added language regarding security for disenrollment requests submitted via the internet 2. Added language indicating plans must inform CMS of their intent to accept online disenrollment requests
40.1.2	1. Changed "application receipt date" to "signature date" 2. Clarified how plan can proceed with disenrollment request in the absence of beneficiary's signature
40.1.3	Changed "enrollment/disenrollment period" to "election period"
40.1.4	Changed Exhibit 6 to Exhibit 11
40.1.5	Added language clarifying denial of voluntary disenrollment
40.2	1. Changed language addressing discontinuing offering plan in an area to reducing the plan's service area 2. Added language clarifying what plans should do with incarcerated members 3. Added list of requirements that notices of disenrollment must meet
40.2.1	Changed title to "Sponsor Receives Notification of Possible Residence Change"
40.2.1.1	Added section 40.2.1.1 to clarify general rules about involuntary disenrollment
40.2.1.2	Added section 40.2.1.2 to clarify rules about determining the effective date of an involuntary disenrollment
40.2.1.3	1. Set existing text on Researching and Acting on a Change of Address as its own subsection 2. Added language indicating sponsors can disregard past periods of incarceration with regards to involuntary disenrollment 3. Added language addressing auto-/facilitated enrollees states of residence being different from states reporting Medicaid status 4. Clarified that enrollment request is not required for auto and facilitated enrollees whose reside outside PDP region

	5. Clarified that PDPs should not disenroll auto or facilitated enrollees in the event PDP is unable to verify permanent residence
40.2.1.4	1. Moved language about "Procedures for Developing Addresses for Members Whose Mail is Returned as Undeliverable" as new subsection 40.2.1.4 2. Removed language regarding effective date of termination for members whose mail is undeliverable 3. Added language indicating that sponsors are expected to continue to mail beneficiary materials to the undeliverable address
40.2.1.5	Moved language regarding disenrollment notice requirements into section 40.2.1.5
40.2.1.6	1. Established "Notice Requirements" in its own section 2. Revised to require that notification of disenrollment due to out-of-area status in excess of six months must be sent within first ten calendar days of sixth month 3. Added language suggesting sponsors send a final confirmation of disenrollment notice to the member
40.2.2	1. Changed title of section to "Loss of Eligibility for Part D" 2. Streamlined language regarding Medicare entitlement 3. Changed references indicating "Part A & Part B" to "Part D eligibility"
40.2.3	1. Moved language indicating sponsors may not submit disenrollment transactions when members die 2. Added language indicating that sponsors must send notice to a member's estate within 10 days of CMS' notification of member's death
40.2.4	Streamlined language about service area reduction
40.3.1	1. Clarified that grace period for delinquent plan premiums must be a whole number of months 2. Added language indicating sponsors must bill members prior to start of premium payment grace period 3. Changed "overdue payments" to "delinquent premiums" 4. Removed language indicating plans can reduce coverage when members fail to pay premiums 5. Established descriptive title for Example #2 as "Incorrect Data Due to Systems Miscommunication" 6. In example at end of section, removed extraneous "receive" 7. Under "Notice Requirements," established 3 day timeframe for sending notice of disenrollment for failure to pay premiums
40.3.2	Established that plans are "requesting to" disenroll members
40.4.1	Change reference from Exhibit 6 to Exhibit 11
40.4.2	Changed language to indicate incomplete AEP elections must be made complete by December 31st or within 21 calendar days of receipt, whichever is later
40.6.1	Corrected advanced notification requirement for group disenrollments from 30 days to 21 days
50.1	Changed language to indicate sponsor's receive "verbal requests" for disenrollment rather than "confirmation"
50.1.2	Changed "CMS RO" to "CMS (or its designee)"

50.2	1. Added "(or its designee)" after "CMS" 2. Clarified, that "As of the effective date of enrollment, plan systems should indicate active membership." 3. Editorial revisions to language describing reinstatements
50.2.1	1. Changed title of section to "Reinstatements for Disenrollment Due to Erroneous Death Indicator or Due to Erroneous Loss of Part D Eligibility Indicator" 3. Changed references indicating "Part A & Part B" to "Part D eligibility"
50.2.2	1. Added reference to §40.5 2. Added language indicating plan systems should indicate active membership at the time the request for reinstatement is received 3. Added language clarifying source of mistaken disenrollment
50.3	1. Clarified that plan should use code 62 when obtaining the necessary information to complete an enrollment request extends past the plan data due date, 2. In item #2, added reference to Exhibits 2, 2a, & 2b 3. Inserted new item #3: Evidence of Medicare Part A or Part B coverage, as described in §10 4. Renumbered old item #3 to item #4 5. Added language addressing a plan's failure to notify members of need to use plan services 6. Added special note regarding RO casework actions
50.4	Changed "grant" to "process"
50.5	Added language addressing employer group/union enrollments
50.5.2	1. Changed "disenrollment" to "payment adjustment" 2. Added reference to 42 CFR 422.250(b)
50.6	Removed language "If multiple transactions are submitted during the period"
50.8	Added language expanding options for storage of records consistent with language in MA guidance
General Updates to Appendices + Exhibits	1. On all enrollment mechanisms, added "/agent/broker" to "Office Use Only" block 2. Added language, when appropriate, clarifying changes can not be made outside of election periods without special circumstances (SEPs) 3. Updated language on late enrollment penalty 4. Changed all references to "SSA" & "Social Security Administration" to "Social Security"
Appendix 1	1. Added reference to new Exhibit 1b: Short Enrollment Form 2. Added reference to new Exhibit 10b: PDP Notice to Confirm Disenrollment Identified Through Transaction Reply Report – Reassigned LIS 3. Added reference to new Exhibit 32: Model Employer/Union Sponsored Prescription Drug Plan Group Enrollment Mechanism Notice

	4. Changed language referencing "denial determination" to "receipt of enrollment request OR expiration of time frame for requested additional information" 5. Changed timeframe reference for Exhibit 20 to conform with changes in this update
Appendix 2	1. Added column indicating whether the data element is required on the enrollment mechanism 2. Removed "Response to" from items 15 & 16 3. Added new data element: Information provided under "please read and sign below" 4. Added new data element: Release of Information 5. Added new data element regarding attestation of financial support for purchase of prescription drugs
Appendix 3	New appendix describes Setting the Application Date on CMS Enrollment Transactions
Exhibit 1	1. Revised language preference section to required field and included alternative format and additional contact information, per CMS marketing requirements 2. Updated "Please read and sign below" with several new required statements: - Add required statement that plan has contract with federal government - Add statement on impact of enrollment in this plan on other Medicare plan enrollment - Add statement on limitation on enrollment, including deletion of disenrollment - Add network pharmacy language - Add Part D demo language (when applicable) - Add statement advising agent/broker/other rep of plan may receive compensation for enrollments 3 Added "/agent/broker" to "Office Use Only" block
Exhibit 1a	1. Changed title to "Information to Determine Enrollment Periods -- Optional information to include on or with Enrollment Form" 2. Removed "Long Term Care" data element 3. Moved "none of these statements apply" language to data elements 4. Editorial changes to language in data elements 5. Added language acknowledging awareness of counseling services and state assistance programs
Exhibit 1b	New! Model Short Enrollment Form
Exhibit 2a	Added language indicating no changes outside of enrollment periods
Exhibit 2b	1. New language advising LIS individuals on process if believe LIS amount incorrect or, if not currently LIS and needs assistance in obtaining proof 2. Revised LEP and LIS language
Exhibit 4	1. New language advising LIS individuals on process if believe LIS amount incorrect or, if not currently LIS and needs assistance in obtaining proof 2. Revised LEP and LIS language

Exhibit 6	Added LIS language
Exhibit 8	1.Added language directing beneficiary to read letter before filling out & returning the attached disenrollment form 2. Added language clarifying changes can not be made outside of election periods without special circumstances (SEPs) 3. Added section headings to conform with analogous MA document 4. Added "should" & "should not" clarifying language to conform with analogous MA document
Exhibit 10	Added language "in paying for your prescription drug costs"
Exhibit 10a	Added language "in paying for your prescription drug costs"
Exhibit 10b	New! Notice to confirm disenrollment due to reassignment in another plan
Exhibit 11	Added language "or if you receive extra help in paying for your prescription drug costs"
Exhibit 12	Added LIS language
Exhibit 13	Added language clarifying that effective date is date of disenrollment
Exhibit 13a	Added language clarifying that effective date is date of disenrollment
Exhibit 14	1. Added language clarifying that effective date is date of disenrollment 2. Changed title to "Exhibit 14 - PDP Model Notice of Disenrollment Due to Loss of Part D Eligibility" to reflect changes to §§ 40.2.2 & 50.2.1
Exhibit 16	Added optional language for plans that are able to verify current Medicare entitlement
Exhibit 17	Added language addressing whether or not beneficiary has filled prescriptions
Exhibit 18	1. Added "information we requested" as optional text 2. Change time for notification to "date placed on notice in Exhibit 16 or 17"
Exhibit 19	Added LIS language
Exhibit 20	Added LIS language
Exhibit 21	Added LIS language
Exhibit 22	Changed title to "Exhibit 22 - Model Acknowledgement of Request to Cancel Enrollment Request"
Exhibit 24	1. New language advising LIS individuals on process if believe LIS amount incorrect 2. Streamlined language referencing what to do if beneficiary has other drug coverage
Exhibit 25	1. Changed deductible amount to "applicable deductible" 2. Streamlined language referencing what to do if beneficiary has other drug coverage 3. New language advising LIS individuals on process if believe LIS amount incorrect
Exhibit 26	Removed language referencing what to do if beneficiary has other drug coverage
Exhibit 27	1. Changed deductible amount to "applicable deductible"

	2. New language advising LIS individuals on process if believe LIS amount incorrect
Exhibit 29	1. New language advising LIS individuals on process if believe LIS amount incorrect
Exhibit 30	Added language to bulleted items indicating what to do when a drug is no longer on the formulary or is in a more expensive tier
Exhibit 32	New! Model Employer/Union Sponsored Prescription Drug Plan Group Enrollment Mechanism Notice