

**Center for Medicaid, CHIP, and Survey & Certification**

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**CMCS Informational Bulletin**

**DATE:** October 14, 2011

**FROM:** Cindy Mann, Director  
Center for Medicaid, CHIP and Survey and & Certification (CMCS)

**SUBJECT: Reminder:** Annual Reassignments for certain Low Income Subsidy (LIS)eligible Individuals

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In June, the Centers for Medicare & Medicaid Services (CMS) started the process of annual reassignments for certain LIS-eligible individuals and issued a June 29, 2011, Informational Bulletin laying out the steps in that process. This is the second of two Bulletins about this process for 2011. This Bulletin provides an update on the next steps in the process to ensure that States understand their role in ensuring that dual eligible beneficiaries have timely, affordable, and comprehensive coverage under the Medicare Part D prescription drug benefit.

**Background Information on the CMS Process for Reassigning LIS - Eligible Beneficiaries**

**CMS performs the following tasks to reassign LIS-eligible beneficiaries:**

- Identifying beneficiaries whose LIS eligibility will continue in 2012;
- Identifying which plans in each PDP region have a 2012 premium at or below the LIS benchmark for that region (or have volunteered to waive a de minimis amount above the benchmark);
- Identifying non-renewing PDPs and Medicare Advantage (MA) plans;
- Confirming that beneficiaries are assigned to plans in their region of residence, based on State Medicare Modernization Act (MMA) files; and,
- Determining which individuals are subject to reassignment. In general, we reassign only full subsidy individuals who have not chosen a plan on their own in the past. In the case of plan non-renewals, we reassign all individuals with full or partial subsidies.

For your information, detailed guidance and additional information can be found in following documents:

- Section 40.1.5 of Chapter 3 (Eligibility, Enrollment, and Disenrollment) of the Medicare Prescription Drug Benefit Manual, available on the Web at:  
<http://www.cms.hhs.gov/MedicarePresDrugEligEnrol/>

- Section 40.1.8 of Chapter 2 (on Enrollment and Disenrollment) of the Medicare Managed Care Manual (“Chapter 2”), available on the Web at:  
<http://www.cms.gov/MedicareMangCareEligEnrol/>
- Guidance memo entitled “2012 Reassignment of Low-Income Subsidy Beneficiaries in PDPs” dated September 1, 2011, available on our website at:  
[http://www.cms.gov/PrescriptionDrugCovContra/01\\_Overview.asp#TopOfPage](http://www.cms.gov/PrescriptionDrugCovContra/01_Overview.asp#TopOfPage)

### **CMS Notifications to Beneficiaries**

All beneficiaries in continuing plans received an Annual Notice of Change from their 2011 Part D plan by September 30, 2011. In addition, CMS will mail the following notices to affected beneficiaries:

- **“PDP Reassignment Notice”**: In late October 2011, CMS will mail blue notices to all LIS beneficiaries who will be reassigned to a new PDP because the plan into which they were previously auto-enrolled will have a premium above the regional LIS benchmark; or their current PDP is terminating.
- **“MA Reassignment Notice”**: Also in late October, CMS will mail blue notices to all LIS beneficiaries enrolled in an MA plan that is terminating or has a service area reduction. These individuals will also be assigned to PDPs.

Unless individuals make an election on their own, they will be automatically assigned to the plan identified in the notice. To assist them in making an election, both of these blue reassignment notices will include a list of locally available plans that have no premium liability for people eligible for the full premium subsidy in 2012. Beneficiaries can use this information to compare their plan options. Except in plan termination situations, the notice also will inform them of the new monthly premium amount, if they stay in their current Part D plan.

- **“Choosers Notice”**: In early November, CMS will mail tan notices to LIS beneficiaries who are in a PDP in which they will have a premium liability, but are not being reassigned by CMS because they actively chose their current plan. These so-called “choosers” voluntarily elected their current PDP (that is, they were not auto-enrolled, facilitated-enrolled, or reassigned into their current PDP by CMS) and will qualify for 100 percent premium subsidy in 2012, but their PDP’s premium will be above the regional LIS benchmark amount in 2012. Like the blue reassignment notice, the tan “choosers” notice will inform them of the new monthly premium amount for which they will be liable if they stay in their current PDP and include a list of PDPs that have no premium liability for people eligible for the full premium subsidy in 2012.
- **“Affordable Care Act (ACA) Formulary Notice”**: In December, CMS will mail a second blue notice to all LIS beneficiaries who will be reassigned to a new PDP. This includes those reassigned in the PDP and MA reassignments processes referenced above. This second notice will identify which drugs in their current drug regimen are covered in the 2012 plan to which they are being reassigned, and how to request an exception to obtain a drug that is not included in the plan’s formulary.

CMS has created a guide to 2011 Part D mailings sent from CMS, Social Security and the plans. This guide will summarize each notice's message, explain when it will be sent, and include the color of the paper on which the notice will be printed. This guide is available on our Limited Income and Resources Web page at <https://www.cms.gov/limitedincomeandresources/downloads/2011mailings.pdf> . The model beneficiary letters also will be posted on this Web page, as they become available.

### **State Notification**

This month, CMS sent to each State files containing the names of individuals who have been reassigned in order to assist States in providing effective customer service to affected beneficiaries. On October 7, CMS sent a file to each State listing the LIS-eligible individuals in their State who will receive a blue PDP reassignment letter. On October 14, CMS sent a second file to each state listing LIS-eligible individuals who will receive a blue MA reassignment letter. Customer service representatives at 1-800-MEDICARE will be prepared to answer questions about the reassignment process and about beneficiaries' full range of options. In addition, plan information will be available at [www.medicare.gov](http://www.medicare.gov).

The reassignment files that CMS sent to States will contain a list of full duals, partial duals, Supplemental Security Income (SSI)-only eligible individuals, and approved LIS applicants residing in their State who will be receiving blue notices from CMS informing them that they will be reassigned. Individuals whom a State Pharmaceutical Assistance Program has requested that CMS carve-out of the reassignment process, under its authority to enroll on behalf of its members, will not be included in this file. This exclusion will ensure that such beneficiaries are reassigned only once. The file format is attached. These reassignments will subsequently appear on your normal monthly MMA response file starting October 19.

Thank you for your continued assistance with our efforts to ensure that low-income Medicare beneficiaries, including dual eligibles, maintain affordable and comprehensive coverage under the Medicare Part D prescription drug benefit.

Attachment

## Attachment A – State Reassignment File Layout

### Exchange Name: SRA (State Response)

(where “x” can be “H” for header and “T” for trailer)

#### Re-Assignment State Response Files - Header Record

| Data Field          | Length | Position  | Format | Valid Values                                 |
|---------------------|--------|-----------|--------|--|
| Header Code         | 8      | 1 ... 8   | CHAR   | ‘SRA’ for re-assign state notification file. |
| Sending Entity      | 8      | 9 .. 16   | CHAR   | ‘CMS ’<br>(CMS + 5 spaces)                   |
| File Creation Date  | 8      | 17 .. 24  | CHAR   | CCYYMMDD<br>Date file was created.           |
| File Control Number | 9      | 25 .. 33  | CHAR   | Spaces                                       |
| Filler              | 767    | 34 .. 800 | CHAR   | Spaces                                       |

**Record Length = 800**

#### Re-Assignment State Response Files - Detail Record

| Data Field  | Length | Position    | Format | Valid Values   |
|---|--------|-------------|--------|--|
| Record Type   | 3      | 1 ... 3     | CHAR   | ‘DTL’  |
| Beneficiary’s Health Insurance Claim                  | 12     | 4 ... 15    | CHAR   |  |
| Beneficiary’s SSN                                     | 9      | 16 ... 24   | CHAR   | Filled with Spaces if the SSN is not present.  |
| Representative Payee Name                             | 44     | 25 ... 68   | CHAR   |  |
| Beneficiary’s First Name                              | 12     | 69 ... 80   | CHAR   |  |
| Beneficiary’s Middle Name                             | 1      | 81 ... 81   | CHAR   |  |
| Beneficiary’s Last Name                               | 28     | 82 ... 109  | CHAR   | Last name starts in position 83 if a middle initial is present. Last names that exceed the length will have the last characters dropped. |
| Beneficiary’s Address Line 1                          | 40     | 110 ... 149 | CHAR   | Filled with the Address  |
| Beneficiary’s Address Line 2                          | 40     | 150 ... 189 | CHAR   | Filled with the Address, if available.   |
| Beneficiary’s Address Line 3                          | 40     | 190 ... 229 | CHAR   | Filled with the Address, if available.   |
| Beneficiary’s Address Line 4                          | 40     | 230 ... 269 | CHAR   | Filled with the Address, if available.   |
| Beneficiary’s Address Line 5                          | 40     | 270 ... 309 | CHAR   | Filled with the Address, if available.   |
| Beneficiary’s Address Line 6                          | 40     | 310 ... 349 | CHAR   | Filled with the Address, if available.   |
| Beneficiary’s City                                    | 26     | 350 ... 375 | CHAR   | Filled with the City   |
| Filler  | 1      | 376 ... 376 | CHAR   | Spaces   |
| Beneficiary’s State                                   | 2      | 377 ... 378 | CHAR   | Filled with the State Code   |
| Filler  | 1      | 379 ... 379 | CHAR   | Spaces   |
| Beneficiary’s Zip Code                                | 10     | 380 ... 389 | CHAR   | Filled with the Zip Code   |
| Beneficiary’s Next Year’s Organization Marketing Name | 50     | 390 ... 439 | CHAR   |  |

| Data Field   | Length | Position    | Format  | Valid Values  |
|--|--------|-------------|---------|---|
| Beneficiary's Next Year's Plan Name                                | 50     | 440 ... 489 | CHAR    |   |
| Beneficiary's Next Year's Plan Member Services Toll-Free Number    | 18     | 490 ... 507 | CHAR    |   |
| Beneficiary's Next Year's Plan Web Address                         | 50     | 508 ... 557 | CHAR    |   |
| Beneficiary's LIS Subsidy Co-Payment Category                      | 1      | 558 ... 558 | CHAR    | 1 - high co-pay<br>2 - low co-pay<br>3 - no co-pay<br>4 - 15%   |
| Beneficiary's Next Year's Assign Effective Date                    | 8      | 559 ... 566 | NUMERIC | CCYYMMDD  |
| Beneficiary's Part D Premium Subsidy Percentage                    | 3      | 567 ... 569 | CHAR    | '100', '075', '050', or '025'   |
| Beneficiary's PDP Region ID Code                                   | 2      | 570 ... 571 | NUMERIC |   |
| Beneficiary's Current Year's Organization Name                     | 50     | 572 ... 621 | CHAR    |   |
| Beneficiary's Current Year's Plan Name                             | 50     | 622 ... 671 | CHAR    |   |
| Beneficiary's Current Year's Plan Member Services Toll-Free Number | 18     | 672 ... 689 | CHAR    |   |
| Beneficiary's Current Year's Plan Premium Liability                | 6      | 690 ... 695 | DECIMAL |   |
| Filler   | 8      | 696 ... 703 | NUMERIC | Zero  |
| Beneficiary's Next Year's Contract Number                          | 5      | 704 ... 708 | CHAR    |   |
| Beneficiary's Next Year's PBP Number                               | 3      | 709 ... 711 | CHAR    |   |
| Beneficiary's Current Year's Contract Number                       | 5      | 712 ... 716 | CHAR    |   |
| Beneficiary's Current Year's PBP Number                            | 3      | 717 ... 719 | CHAR    |   |
| Beneficiary's Next Year's Plan Premium Liability                   | 6      | 720 ... 725 | DECIMAL | Used when the premium is increasing, decreasing, or remaining the same amount that is above the benchmark for the following year.<br><br>Contains next year's premium for the current plan. |
| Filler   | 75     | 726 ... 800 | CHAR    | Spaces  |

**Record Length = 800**

### Re-Assignment State Response Files - Trailer Record

| Data Field          | Length | Position   | Format  | Valid Values  |
|---------------------|--------|------------|---------|---|
| Trailer Code        | 8      | 1 ... 8    | CHAR    | 'TRL' for re-assign state notification file.              |
| Sending Entity      | 8      | 9 ... 16   | CHAR    | 'CMS ' (CMS + 5 spaces)                                   |
| File Creation Date  | 8      | 17 ... 24  | CHAR    | CCYYMMDD<br>Date file was created.                        |
| File Control Number | 9      | 25 ... 33  | CHAR    | Spaces  |
| Record Count        | 9      | 34 ... 42  | NUMERIC | Right justified.<br><br>Count = Number of detail records. |
| Filler              | 758    | 43 ... 800 | CHAR    | Spaces  |

**Record Length = 800**