

February 17, 2006

Dear State Medicaid and State Pharmaceutical Assistance Program Directors:

As you help people with Medicare compare Medicare drug plans and make a choice that works for them, or enroll them in plans as their authorized representative under state law, it is also important to consider the timing of each enrollment.

Generally, if a person with Medicare enrolls in a Medicare drug plan, or changes plans, at the beginning of the month, he or she will be able to get the most out of their coverage from the first day it is effective. Enrollments early in the month give Medicare and drug plans time to update their systems, and mail important information like a membership card, acknowledgement letter, and welcome package to enrollees before their coverage becomes effective. In these cases, even if a person with Medicare goes to the pharmacy on the first day of coverage, they can get their prescriptions quickly and accurately.

Enrollments and plan changes later in the month make it far less likely that all of the information needed to file the claim correctly will be available at the pharmacy or the plan on the first day of coverage. For enrollments being processed later in the month, it is important to provide the enrollee with some extra information to help manage expectations and help the person successfully fill prescriptions. This information is especially important because a person who enrolls late in the month might not receive an acknowledgement or confirmation letter, or a membership card by the day the coverage starts. In these cases, if the enrollee needs to fill a prescription, he or she should be provided with the following advice:

- If the enrollee has received one, bring any acknowledgement, confirmation, or welcome letter to the pharmacy until a membership card arrives.
- If he or she has not received a letter confirming enrollment, obtain an enrollment confirmation number or membership number from the plan, and give the number to the pharmacy.
- If the enrollee has both Medicare and Medicaid, or has been approved for the low income subsidy (extra help paying for prescriptions), bring a copy of the yellow automatic enrollment letter from Medicare, a Medicaid card, an approval letter from the Social Security Administration, or other proof that he or she qualifies for extra help.
- If the enrollee needs to get a prescription before receiving a letter or membership card, let the pharmacist know the Medicare drug plan name and bring one of the items above to get prescriptions filled, and be aware that it may take some extra time.
- As a last resort, if the enrollee must pay out-of-pocket for the prescription, he or she should save the receipts and work with the Medicare drug plan to be reimbursed.

We recognize that some beneficiaries will become entitled late in the month and that we cannot avoid some enrollments being processed late in the month. We are working to streamline the process so that these beneficiaries will have the information they need to get their prescriptions filled as quickly as possible. However, systems processing takes some time and we are hopeful that by enrolling as many as we can early in the month, and providing additional information to those enrolling in the second half of the month, we will make the process work as smoothly as possible for our beneficiaries.

Thank you again for your continued assistance as we work to implement the new Medicare prescription drug coverage.

Sincerely,

/s/

Dennis G. Smith
Director

Enclosures

cc:

CMS Regional Administrators

CMS Associate Regional Administrators for Medicaid and State Operations

HHS Regional Directors

Martha Roherty, Director, Health Policy Unit, American Public Human Services Association

Joy Wilson, Director, Health Committee, National Conference of State Legislatures

Matt Salo, Director of Health Legislation, National Governors Association

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