

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850



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MEMORANDUM

TO: Medicare Prescription Drug Plans (PDP-Only)

FROM: Cynthia G. Tudor, Ph.D. Director, Medicare Drug Benefit Group

RE: Revisions to Prescription Drug Plan (PDP) Model Annual Notice of Change (ANOC)

DATE: September 13, 2006

CMS recently revised its two Model PDP ANOCs to accommodate a recent change in enrollment policy related to the reassignment of Low-Income Subsidy recipients. The change to the ANOC is as follows, and is highlighted in bold:

*[If plan qualified for auto-enrollment in 2006, but will not in 2007 because premium will exceed the region-specific low-income premium subsidy amount, insert the following language: "If you are also eligible for **extra help**, you might get a letter from Medicare offering to move you to a Medicare drug plan where you won't have to pay any monthly premium in 2007. Medicare will send these letters out by early November. If Medicare offers to move you to a different plan, but you want to stay with our plan, please contact us at <customer service number/hours>."]*

CMS realizes that there are organizations that have already submitted both model and non-model ANOCs and have received approval. Organizations **will not** be required to re-submit already approved or currently submitted ANOCs. However, effective immediately, for all new ANOC submissions, organizations must submit ANOC with the correction noted above.

We appreciate all of your efforts during this marketing review period.