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DATE: June 12, 2024

TO: All Medicare Advantage Organizations (MAOs) and Medicare Prescription Drug Plan Sponsors

FROM: Vanessa S. Duran, Director
Medicare Drug Benefit and C & D Data Group

SUBJECT: Notice for Beneficiaries Whose Low-Income Subsidy is Terminated

The purpose of this memo is to announce a change in how plans can access the model document “Notice for Beneficiaries Whose Low-Income Subsidy is Terminated.” The notice, which had been one of the model documents available in Chapter 13 of the Prescription Drug Benefit Manual - Premium and Cost-Sharing Subsidies for Low-Income Individuals, will now be made available on CMS’s Part D Model Materials website at:

www.cms.gov/medicare/coverage/prescription-drug-coverage-contracting/part-d-model-materials.

The notice has been updated to:

- State that a beneficiary who is losing the low-income subsidy will not have a copayment obligation upon reaching the out-of-pocket threshold, consistent with the current Part D benefit design;
- Explain that a beneficiary losing the subsidy can switch to another Medicare drug plan (a PDP or MA-PD plan) within three months; and
- Display a new link to the Social Security Administration’s website for LIS applicants.

If you have questions about the information in this message, please contact the Part D Policy mailbox at PartDPolicy@cms.hhs.gov.